

**Missouri Senate
Appropriations Committee**

**2004
ANNUAL FISCAL REPORT
Fiscal Year 2005**

**92nd General Assembly
Second Regular Session**

**Senator Peter Kinder
President Pro Tem**

**Senator John T. Russell
Appropriations Committee Chairman**



***Prepared by
Senate Appropriations Committee Staff***

2004 ANNUAL FISCAL REPORT

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PREFACE

The Senate Appropriations Committee is pleased to present this Annual Fiscal Report. It is designed to provide legislators, legislative and departmental staff, and the public detailed information about the appropriations and budget process during the 92nd General Assembly, 2nd Regular Session (2004) as well as information about fiscal and budget issues in previous years.

The Report is divided into five sections. Section I, **FY 2005 Statewide Budget Information**, provides a summary of Missouri's \$18.9 billion operating budget for Fiscal Year 2005. This section includes appropriation bill totals for operating and capital improvements. In addition, this section contains an appropriation veto summary, the fiscal year general revenue estimate, a full time equivalent (FTE) summary by department and several charts and graphs depicting revenue and appropriation information.

Section II, **FY 2005 Departmental Budget Information**, provides detailed information on each state department. Information includes the appropriation amount, percentage increases or decreases, and the major changes from the previous fiscal year. This section also contains pie charts that display information unique to each department.

Section III, **Missouri State Finances**, provides historical expenditure information on the state's operating and capital improvement budgets. In addition, information is presented regarding past revenue collections, an analysis of state tax credits, bond indebtedness, and the distribution of gaming, lottery and tobacco settlement revenues.

Section IV, **Legislation**, provides a fiscal impact summary of legislation enacted in 2004. Detailed summaries are provided for Senate Bill 1099 (Gibbons) related to tax credit accountability, Senate Bill 1123 (Gibbons) related to nursing home cost reimbursement, and Senate Bill 1394 (Vogel) related to tax compliance.

Section V, **Topics of Interest**, provides information about a wide variety of subjects of current interest. This section contains information related to the highway fund cap, foundation formula, court ordered desegregation, state employee pay plan history, state rankings and performance, budget reserve fund, total state revenue calculation, budget process overview, and the calendar of floor action on appropriation bills.

We hope that the Annual Fiscal Report will provide the reader with a wide range of interesting topics regarding the Missouri state budget and finances. If you have any comments or suggestions please send them to Marty Drewel, Senate Appropriations Committee Staff, Rm. B-8, State Capitol Building, fax them to (573) 751-4778 or e-mail him at mdrewel@senate.state.mo.us.

**Missouri Senate
Appropriations Committee and
Staff Organization**

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**Wayne Goode
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Maida Coleman
Gary Nodler**

**Anita Yeckel
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Doyle Childers
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Revised: August 2004

Section I

FISCAL YEAR 2005 STATEWIDE BUDGET INFORMATION

FY 2005 OPERATING BUDGET SUMMARY

9/17/2004

| House Bill | | FY 03 Prior Year Expenditures | Current Year Appropriations | Governor's Amended Recommendation | House Recommendation | Senate Recommendation | Conl Recomi |
|---------------|---|-------------------------------------|--------------------------------|---|-------------------------|--------------------------|----------------|
| 1 | <u>Public Debt</u> | | | | | | |
| | General Revenue | \$ 44,656,216 | \$ 103,553,110 | \$ 103,045,815 | \$ 103,045,815 | \$ 103,045,815 | \$ 10 |
| | Federal Funds | 0 | 0 | 0 | 0 | 0 | |
| | Other Funds | 0 | 987,647 | 996,472 | 996,472 | 996,472 | |
| | Total | \$ 44,656,216 | \$ 104,540,757 | \$ 104,042,287 | \$ 104,042,287 | \$ 104,042,287 | \$ 10 |
| 2 | <u>Elementary & Secondary Education</u> | | | | | | |
| | General Revenue | \$ 2,323,936,885 | \$ 2,464,161,089 | \$ 2,450,108,372 | \$ 2,566,970,921 | \$ 2,562,968,441 | \$ 2,56 |
| | Federal Funds | 725,455,637 | 927,318,630 | 949,361,696 | 982,661,650 | 994,591,690 | 99 |
| | Other Funds | 1,314,484,978 | 1,158,941,912 | 1,312,412,137 | 1,202,485,279 | 1,196,711,986 | 1,20 |
| | Total | \$ 4,363,877,500 | \$ 4,550,421,631 | \$ 4,711,882,205 | \$ 4,752,117,850 | \$ 4,754,272,117 | \$ 4,76 |
| 3 | <u>Higher Education</u> | | | | | | |
| | General Revenue | \$ 819,136,439 | \$ 839,518,558 | \$ 880,617,399 | \$ 840,141,331 | \$ 856,904,858 | \$ 86 |
| | Federal Funds | 3,450,213 | 6,690,637 | 6,245,225 | 6,245,225 | 6,247,637 | |
| | Other Funds | 163,422,403 | 181,476,578 | 180,148,253 | 180,148,253 | 183,173,428 | 18 |
| | Total | \$ 986,009,055 | \$ 1,027,685,773 | \$ 1,067,010,877 | \$ 1,026,534,809 | \$ 1,046,325,923 | \$ 1,04 |
| 4 | <u>Revenue</u> | | | | | | |
| | General Revenue | \$ 66,216,732 | \$ 79,388,409 | \$ 86,233,266 | \$ 86,327,135 | \$ 90,422,715 | \$ 9 |
| | Federal Funds | 836,166 | 8,048,685 | 8,998,727 | 8,998,727 | 9,001,789 | |
| | Other Funds | 352,197,778 | 362,223,394 | 362,167,762 | 358,702,820 | 359,901,300 | 35 |
| | Total | \$ 419,250,676 | \$ 449,660,488 | \$ 457,399,755 | \$ 454,028,682 | \$ 459,325,804 | \$ 45 |
| 4 | <u>Transportation</u> | | | | | | |
| | General Revenue | \$ 10,385,355 | \$ 10,665,296 | \$ 11,871,012 | \$ 10,968,807 | \$ 11,660,886 | \$ 1 |
| | Federal Funds | 29,251,978 | 55,597,241 | 53,292,811 | 53,271,379 | 53,299,509 | 5 |
| | Other Funds | 1,780,374,816 | 1,658,351,078 | 1,575,037,969 | 1,575,280,842 | 1,578,090,470 | 1,57 |
| | Total | \$ 1,820,012,149 | \$ 1,724,613,615 | \$ 1,640,201,792 | \$ 1,639,521,028 | \$ 1,643,050,865 | \$ 1,64 |
| 5 | <u>Office of Administration</u> | | | | | | |
| | General Revenue | \$ 136,087,137 | \$ 147,521,674 | \$ 154,006,559 | \$ 152,806,045 | \$ 153,102,916 | \$ 15 |
| | Federal Funds | 4,602,910 | 19,952,464 | 9,567,057 | 9,567,057 | 9,568,718 | |
| | Other Funds | 37,883,011 | 8,031,151 | 9,721,819 | 9,715,414 | 9,734,796 | |
| | Total | \$ 178,573,058 | \$ 175,505,289 | \$ 173,295,435 | \$ 172,088,516 | \$ 172,406,430 | \$ 17 |
| 5 | <u>Employee Benefits</u> | | | | | | |
| | General Revenue | \$ 398,562,945 | \$ 415,478,524 | \$ 453,008,926 | \$ 440,336,324 | \$ 446,147,724 | \$ 44 |
| | Federal Funds | 103,166,248 | 120,621,393 | 141,341,400 | 139,183,257 | 139,992,916 | 13 |
| | Other Funds | 101,673,617 | 116,887,848 | 137,754,154 | 136,467,710 | 137,014,154 | 13 |
| | Total | \$ 603,402,810 | \$ 652,987,765 | \$ 732,104,480 | \$ 715,987,291 | \$ 723,154,794 | \$ 72 |
| 6 | <u>Agriculture</u> | | | | | | |
| | General Revenue | \$ 13,139,227 | \$ 13,317,171 | \$ 13,165,685 | \$ 14,933,369 | \$ 12,165,862 | \$ 1 |
| | Federal Funds | 1,367,803 | 5,875,382 | 5,476,652 | 5,476,652 | 5,490,357 | |
| | Other Funds | 10,585,908 | 15,797,936 | 16,885,408 | 15,186,109 | 15,354,315 | 1 |
| | Total | \$ 25,092,938 | \$ 34,990,489 | \$ 35,527,745 | \$ 35,596,130 | \$ 33,010,534 | \$ 3 |

FY 2005 OPERATING BUDGET SUMMARY

9/17/2004

| House Bill | | FY 03 Prior Year Expenditures | Current Year Appropriations | Governor's Amended Recommendation | House Recommendation | Senate Recommendation | Conl Recomi |
|---------------|---------------------------------------|-------------------------------------|--------------------------------|---|-------------------------|--------------------------|----------------|
| 6 | <u>Natural Resources</u> | | | | | | |
| | General Revenue | \$ 10,530,395 | \$ 8,936,771 | \$ 8,645,754 | \$ 8,396,174 | \$ 8,404,252 | |
| | Federal Funds | 31,802,494 | 46,927,510 | 46,499,597 | 46,498,969 | 45,109,108 | 4 |
| | Other Funds | 121,582,383 | 275,810,752 | 277,900,735 | 274,705,698 | 275,303,919 | 27 |
| | Total | \$ 163,915,272 | \$ 331,675,033 | \$ 333,046,086 | \$ 329,600,841 | \$ 328,817,279 | 32 |
| 6 | <u>Conservation</u> | | | | | | |
| | General Revenue | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |
| | Federal Funds | 0 | 0 | 0 | 0 | 0 | |
| | Other Funds | 114,705,274 | 126,951,038 | 133,000,439 | 133,000,439 | 133,931,123 | 13 |
| | Total | \$ 114,705,274 | \$ 126,951,038 | \$ 133,000,439 | \$ 133,000,439 | \$ 133,931,123 | 13 |
| 7 | <u>Economic Development</u> | | | | | | |
| | General Revenue | \$ 38,480,160 | \$ 40,898,933 | \$ 41,821,216 | \$ 40,990,807 | \$ 44,071,978 | 4 |
| | Federal Funds | 112,649,078 | 163,686,889 | 163,006,453 | 163,004,135 | 163,399,259 | 16 |
| | Other Funds | 51,007,757 | 68,961,021 | 70,056,265 | 68,633,970 | 69,227,235 | 6 |
| | Total | \$ 202,136,995 | \$ 273,546,843 | \$ 274,883,934 | \$ 272,628,912 | \$ 276,698,472 | 27 |
| 7 | <u>Insurance</u> | | | | | | |
| | General Revenue | \$ 0 | \$ 0 | \$ 200,000 | \$ 0 | \$ 0 | |
| | Federal Funds | 312,958 | 450,000 | 450,000 | 450,000 | 450,000 | |
| | Other Funds | 12,569,585 | 14,268,710 | 13,856,909 | 13,761,865 | 14,026,192 | 1 |
| | Total | \$ 12,882,543 | \$ 14,718,710 | \$ 14,506,909 | \$ 14,211,865 | \$ 14,476,192 | 1 |
| 7 | <u>Labor and Industrial Relations</u> | | | | | | |
| | General Revenue | \$ 3,516,405 | \$ 3,118,319 | \$ 2,831,376 | \$ 2,638,646 | \$ 2,595,522 | |
| | Federal Funds | 40,184,791 | 68,097,711 | 62,063,361 | 61,970,646 | 62,660,717 | 6 |
| | Other Funds | 71,586,562 | 81,107,154 | 93,377,542 | 93,491,918 | 92,820,038 | 9 |
| | Total | \$ 115,287,758 | \$ 152,323,184 | \$ 158,272,279 | \$ 158,101,210 | \$ 158,076,277 | 15 |
| 8 | <u>Public Safety</u> | | | | | | |
| | General Revenue | \$ 43,899,204 | \$ 39,422,758 | \$ 45,608,397 | \$ 45,672,001 | \$ 42,256,720 | 4 |
| | Federal Funds | 130,897,118 | 87,031,465 | 82,197,639 | 82,190,967 | 86,888,408 | 8 |
| | Other Funds | 184,485,866 | 222,769,781 | 238,389,114 | 246,322,361 | 241,571,425 | 24 |
| | Total | \$ 359,282,188 | \$ 349,224,004 | \$ 366,195,150 | \$ 374,185,329 | \$ 370,716,553 | 37 |
| 9 | <u>Corrections</u> | | | | | | |
| | General Revenue | \$ 480,879,881 | \$ 522,561,102 | \$ 535,180,307 | \$ 517,621,884 | \$ 522,911,203 | 52 |
| | Federal Funds | 4,519,330 | 8,972,901 | 7,770,096 | 7,770,096 | 7,813,835 | |
| | Other Funds | 31,046,560 | 42,947,609 | 42,574,180 | 42,571,697 | 42,772,722 | 4 |
| | Total | \$ 516,445,771 | \$ 574,481,612 | \$ 585,524,583 | \$ 567,963,677 | \$ 573,497,760 | 57 |
| 10 | <u>Mental Health</u> | | | | | | |
| | General Revenue | \$ 505,786,104 | \$ 509,586,118 | \$ 522,527,997 | \$ 515,887,411 | \$ 520,871,472 | 52 |
| | Federal Funds | 101,986,367 | 383,833,022 | 397,516,700 | 400,316,702 | 414,249,105 | 41 |
| | Other Funds | 35,398,047 | 35,613,321 | 35,411,363 | 36,036,363 | 36,038,216 | 3 |
| | Total | \$ 643,170,518 | \$ 929,032,461 | \$ 955,456,060 | \$ 952,240,476 | \$ 971,158,793 | 97 |

FY 2005 OPERATING BUDGET SUMMARY

9/17/2004

| House Bill | | FY 03 Prior Year Expenditures | Current Year Appropriations | Governor's Amended Recommendation | House Recommendation | Senate Recommendation | Conl Recomi |
|---------------|-------------------------------|-------------------------------------|--------------------------------|---|-------------------------|--------------------------|----------------|
| 10 | <u>Health</u> | | | | | | |
| | General Revenue | \$ 79,042,857 | \$ 81,863,107 | \$ 92,634,628 | \$ 80,436,227 | \$ 79,668,576 | \$ 8 |
| | Federal Funds | 259,181,362 | 318,438,264 | 320,939,791 | 325,010,873 | 328,293,614 | 32 |
| | Other Funds | 28,748,897 | 40,700,155 | 41,780,551 | 35,380,141 | 41,040,399 | 4 |
| | Total | \$ 366,973,116 | \$ 441,001,526 | \$ 455,354,970 | \$ 440,827,241 | \$ 449,002,589 | \$ 45 |
| 11 | <u>Social Services</u> | | | | | | |
| | General Revenue | \$ 1,106,405,491 | \$ 1,203,065,524 | \$ 1,388,828,190 | \$ 1,324,210,672 | \$ 1,380,910,656 | \$ 1,38 |
| | Federal Funds | 4,038,881,105 | 4,003,040,350 | 4,365,071,979 | 4,287,774,342 | 4,358,012,373 | 4,35 |
| | Other Funds | 504,009,545 | 353,194,192 | 469,681,388 | 487,733,901 | 480,162,092 | 48 |
| | Total | \$ 5,649,296,141 | \$ 5,559,300,066 | \$ 6,223,581,557 | \$ 6,099,718,915 | \$ 6,219,085,121 | \$ 6,22 |
| 12 | <u>Elected Officials</u> | | | | | | |
| | General Revenue | \$ 42,611,552 | \$ 41,849,145 | \$ 43,618,200 | \$ 42,352,432 | \$ 43,040,626 | \$ 4 |
| | Federal Funds | 4,560,587 | 12,829,508 | 36,306,274 | 36,306,275 | 36,306,937 | 3 |
| | Other Funds | 27,579,683 | 29,970,099 | 42,091,947 | 41,327,752 | 42,796,452 | 4 |
| | Total | \$ 74,751,822 | \$ 84,648,752 | \$ 122,016,421 | \$ 119,986,459 | \$ 122,144,015 | \$ 12 |
| 12 | <u>Judiciary</u> | | | | | | |
| | General Revenue | \$ 139,003,782 | \$ 137,546,486 | \$ 140,436,828 | \$ 139,082,971 | \$ 140,945,729 | \$ 14 |
| | Federal Funds | 4,950,075 | 16,869,957 | 17,036,261 | 17,036,261 | 17,082,777 | 1 |
| | Other Funds | 5,122,784 | 6,347,831 | 8,926,802 | 8,646,802 | 9,206,966 | |
| | Total | \$ 149,076,641 | \$ 160,764,274 | \$ 166,399,891 | \$ 164,766,034 | \$ 167,235,472 | \$ 16 |
| 12 | <u>Public Defender</u> | | | | | | |
| | General Revenue | \$ 28,837,478 | \$ 28,111,874 | \$ 28,558,170 | \$ 28,239,822 | \$ 28,463,282 | \$ 2 |
| | Federal Funds | 0 | 125,000 | 125,000 | 125,000 | 125,000 | |
| | Other Funds | 1,193,698 | 1,215,734 | 1,216,901 | 1,216,901 | 1,218,134 | |
| | Total | \$ 30,031,176 | \$ 29,452,608 | \$ 29,900,071 | \$ 29,581,723 | \$ 29,806,416 | \$ 2 |
| 12 | <u>General Assembly</u> | | | | | | |
| | General Revenue | \$ 30,933,643 | \$ 31,255,219 | \$ 31,945,253 | \$ 31,618,353 | \$ 31,377,538 | \$ 3 |
| | Federal Funds | 0 | 0 | 0 | 0 | 0 | |
| | Other Funds | 52,716 | 191,491 | 191,905 | 191,905 | 192,691 | |
| | Total | \$ 30,986,359 | \$ 31,446,710 | \$ 32,137,158 | \$ 31,810,258 | \$ 31,570,229 | \$ 3 |
| 13 | <u>Statewide Leasing</u> | | | | | | |
| | General Revenue | \$ 27,135,310 | \$ 26,448,932 | \$ 27,429,258 | \$ 27,429,258 | \$ 27,429,258 | \$ 2 |
| | Federal Funds | 13,595,954 | 17,185,969 | 17,068,557 | 17,068,557 | 17,068,557 | 1 |
| | Other Funds | 5,533,626 | 5,973,022 | 5,915,522 | 5,915,522 | 5,915,522 | |
| | Total | \$ 46,264,890 | \$ 49,607,923 | \$ 50,413,337 | \$ 50,413,337 | \$ 50,413,337 | \$ 5 |
| | <u>Total Operating Budget</u> | | | | | | |
| | General Revenue | \$ 6,349,183,198 | \$ 6,748,268,119 | \$ 7,062,322,608 | \$ 7,020,106,405 | \$ 7,109,366,029 | \$ 7,12 |
| | Federal Funds | 5,611,652,174 | 6,271,592,978 | 6,690,335,276 | 6,650,926,770 | 6,755,652,306 | 6,75 |
| | Other Funds | 4,955,245,494 | 4,808,719,454 | 5,069,495,537 | 4,967,920,134 | 4,967,200,047 | 4,98 |
| | Total | \$ 16,916,080,866 | \$ 17,828,580,551 | \$ 18,822,153,421 | \$ 18,638,953,309 | \$ 18,832,218,382 | \$ 18,86 |

FY 2005 OPERATING BUDGET SUMMARY

9/17/2004

| House Bill | FY 03 Prior Year Expenditures | Current Year Appropriations | Governor's Amended Recommendation | House Recommendation | Senate Recommendation | Coni Recomi |
|---|-------------------------------------|--------------------------------|---|-------------------------|--------------------------|----------------|
| DO NOT DELETE - ANTHING BELOW THIS LINE | | | | | | |
| <u>Refunds</u> | | | | | | |
| General Revenue | \$ 1,166,287,471 | \$ 1,201,960,640 | \$ 1,286,760,640 | \$ 1,286,760,640 | \$ 1,286,759,857 | \$ 1,28 |
| Federal Funds | 5,759,973 | 2,531,307 | 1,934,307 | 1,934,307 | 1,934,307 | |
| Other Funds | 37,489,403 | 50,048,117 | 41,243,693 | 41,243,693 | 41,243,693 | 4 |
| Total | \$ 1,209,536,847 | \$ 1,254,540,064 | \$ 1,329,938,640 | \$ 1,329,938,640 | \$ 1,329,937,857 | \$ 1,32 |

FY 2005 FTE SUMMARY

9/17/2004

| House Bill | FY03 Prior Year Actual | Current Year | Governor's Amended Recommendation | House Recommendation | Senate Recommendation | Confere Recomm |
|---|------------------------------|--------------|---|-------------------------|--------------------------|-------------------|
| 1 <u>Public Debt</u> | | | | | | |
| General Revenue | 0.83 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Federal Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Other Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Total | 0.83 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2 <u>Elementary and Secondary Education</u> | | | | | | |
| General Revenue | 1,061.62 | 1,037.52 | 1,028.39 | 975.55 | 1,028.39 | |
| Federal Funds | 893.45 | 970.46 | 935.46 | 935.46 | 928.46 | |
| Other Funds | 13.06 | 12.30 | 11.30 | 11.30 | 11.30 | |
| Total | 1,968.13 | 2,020.28 | 1,975.15 | 1,922.31 | 1,968.15 | |
| 3 <u>Higher Education</u> | | | | | | |
| General Revenue | 20.91 | 21.90 | 21.90 | 21.90 | 21.90 | |
| Federal Funds | 6.79 | 7.50 | 6.50 | 6.50 | 6.50 | |
| Other Funds | 50.04 | 65.33 | 61.33 | 61.33 | 61.33 | |
| Total | 77.74 | 94.73 | 89.73 | 89.73 | 89.73 | |
| 4 <u>Revenue</u> | | | | | | |
| General Revenue | 941.34 | 954.09 | 937.26 | 935.26 | 938.76 | |
| Federal Funds | 0.73 | 6.74 | 6.74 | 6.74 | 6.74 | |
| Other Funds | 1,177.44 | 1,195.37 | 1,166.20 | 1,166.20 | 1,166.20 | |
| Total | 2,119.51 | 2,156.20 | 2,110.20 | 2,108.20 | 2,111.70 | |
| 4 <u>Transportation</u> | | | | | | |
| General Revenue | 5.86 | 6.22 | 6.43 | 6.43 | 6.43 | |
| Federal Funds | 7.01 | 44.72 | 19.59 | 18.59 | 19.59 | |
| Other Funds | 6,658.88 | 6,631.31 | 6,664.23 | 6,665.23 | 6,664.23 | |
| Total | 6,671.75 | 6,682.25 | 6,690.25 | 6,690.25 | 6,690.25 | |
| 5 <u>Office of Administration</u> | | | | | | |
| General Revenue | 437.89 | 389.65 | 390.15 | 369.15 | 386.15 | |
| Federal Funds | 2.21 | 15.32 | 11.32 | 11.32 | 11.32 | |
| Other Funds | 522.16 | 561.70 | 541.00 | 540.00 | 540.00 | |
| Total | 962.26 | 966.67 | 942.47 | 920.47 | 937.47 | |
| 6 <u>Agriculture</u> | | | | | | |
| General Revenue | 262.05 | 238.04 | 227.64 | 221.14 | 227.64 | |
| Federal Funds | 14.07 | 29.51 | 33.26 | 33.26 | 33.26 | |
| Other Funds | 141.19 | 190.20 | 191.45 | 185.95 | 186.95 | |
| Total | 417.31 | 457.75 | 452.35 | 440.35 | 447.85 | |
| 6 <u>Natural Resources</u> | | | | | | |
| General Revenue | 241.36 | 193.83 | 182.66 | 176.90 | 181.35 | |
| Federal Funds | 370.17 | 382.01 | 380.62 | 380.62 | 380.93 | |
| Other Funds | 1,373.05 | 1,437.81 | 1,425.30 | 1,423.30 | 1,426.30 | |
| Total | 1,984.58 | 2,013.65 | 1,988.58 | 1,980.82 | 1,988.58 | |

FY 2005 FTE SUMMARY

9/17/2004

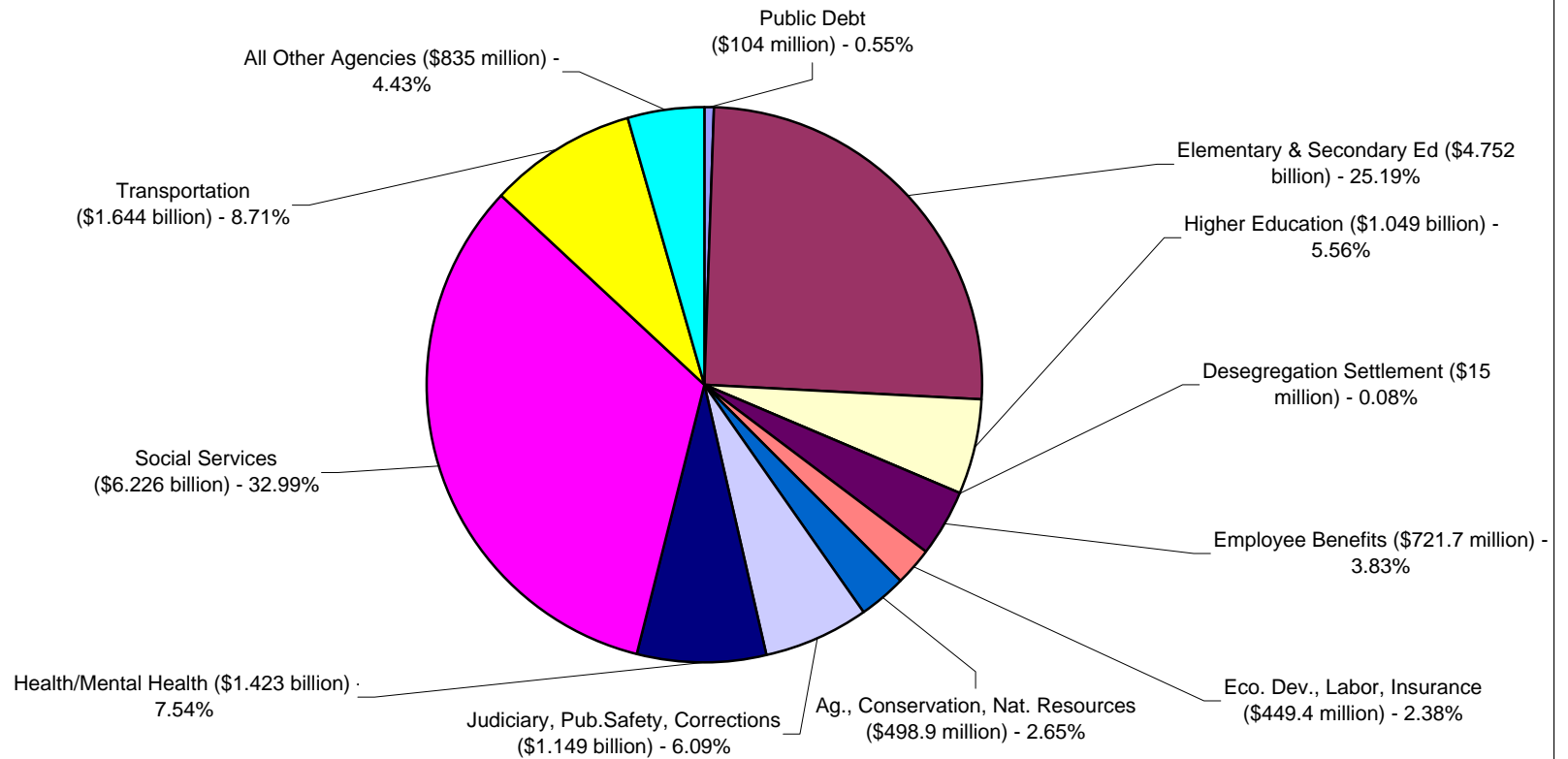
| House Bill | FY03 Prior Year Actual | Current Year | Governor's Amended Recommendation | House Recommendation | Senate Recommendation | Confere Recommen |
|---|------------------------------|--------------|---|-------------------------|--------------------------|---------------------|
| 6 <u>Conservation</u> | | | | | | |
| General Revenue | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Federal Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Other Funds | 1,742.20 | 1,871.61 | 1,871.61 | 1,871.61 | 1,871.61 | |
| Total | 1,742.20 | 1,871.61 | 1,871.61 | 1,871.61 | 1,871.61 | |
| 7 <u>Economic Development</u> | | | | | | |
| General Revenue | 126.17 | 113.11 | 120.78 | 111.86 | 118.78 | |
| Federal Funds | 542.46 | 740.73 | 695.30 | 695.30 | 696.30 | |
| Other Funds | 679.98 | 659.74 | 655.50 | 648.50 | 655.50 | |
| Total | 1,348.61 | 1,513.58 | 1,471.58 | 1,455.66 | 1,470.58 | |
| 7 <u>Insurance</u> | | | | | | |
| General Revenue | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Federal Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Other Funds | 215.53 | 226.50 | 222.50 | 217.50 | 220.50 | |
| Total | 215.53 | 226.50 | 222.50 | 217.50 | 220.50 | |
| 7 <u>Labor and Industrial Relations</u> | | | | | | |
| General Revenue | 69.79 | 57.04 | 51.34 | 48.34 | 47.34 | |
| Federal Funds | 833.09 | 1,018.95 | 925.96 | 925.96 | 929.96 | |
| Other Funds | 188.90 | 202.78 | 209.11 | 209.11 | 208.11 | |
| Total | 1,091.78 | 1,278.77 | 1,186.41 | 1,183.41 | 1,185.41 | |
| 8 <u>Public Safety</u> | | | | | | |
| General Revenue | 930.60 | 941.62 | 1,023.26 | 1,022.26 | 1,018.26 | |
| Federal Funds | 343.26 | 352.95 | 365.95 | 365.95 | 365.95 | |
| Other Funds | 3,221.74 | 3,451.65 | 3,460.15 | 3,461.15 | 3,465.15 | |
| Total | 4,495.60 | 4,746.22 | 4,849.36 | 4,849.36 | 4,849.36 | |
| 9 <u>Corrections</u> | | | | | | |
| General Revenue | 11,581.16 | 11,580.89 | 11,405.49 | 11,246.74 | 11,376.39 | |
| Federal Funds | 53.16 | 72.00 | 72.00 | 72.00 | 72.00 | |
| Other Funds | 294.97 | 337.00 | 321.42 | 322.00 | 322.00 | |
| Total | 11,929.29 | 11,989.89 | 11,798.91 | 11,640.74 | 11,770.39 | |
| 10 <u>Mental Health</u> | | | | | | |
| General Revenue | 9,482.08 | 9,102.88 | 8,622.96 | 8,438.86 | 8,681.45 | |
| Federal Funds | 642.27 | 664.10 | 682.45 | 696.45 | 707.95 | |
| Other Funds | 16.12 | 42.50 | 38.50 | 38.50 | 44.00 | |
| Total | 10,140.47 | 9,809.48 | 9,343.91 | 9,173.81 | 9,433.40 | |
| 10 <u>Health</u> | | | | | | |
| General Revenue | 850.22 | 855.75 | 836.89 | 827.25 | 834.56 | |
| Federal Funds | 1,066.55 | 1,176.92 | 1,209.51 | 1,209.51 | 1,208.51 | |
| Other Funds | 87.03 | 105.75 | 107.97 | 107.97 | 107.97 | |
| Total | 2,003.80 | 2,138.42 | 2,154.37 | 2,144.73 | 2,151.04 | |

FY 2005 FTE SUMMARY

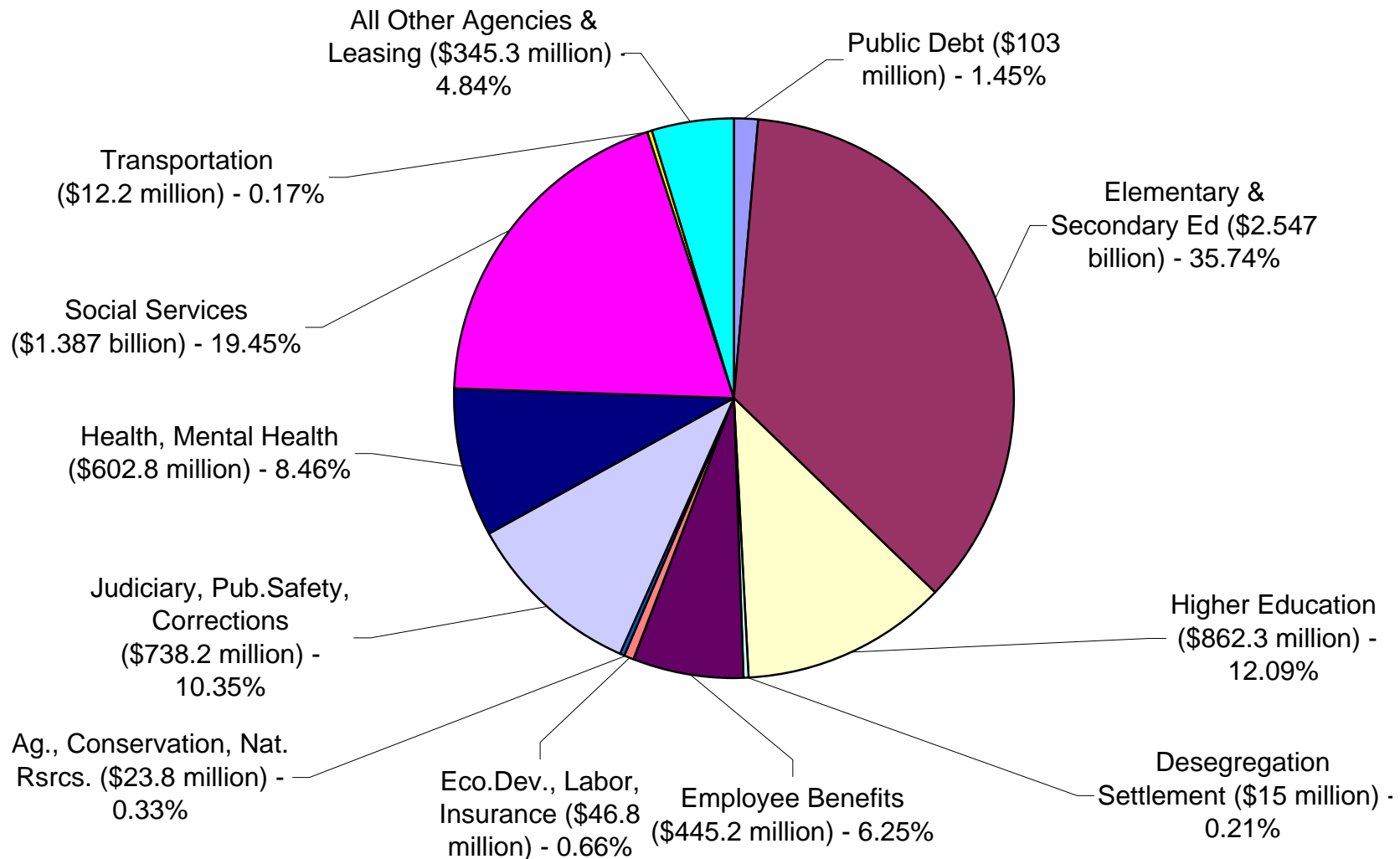
9/17/2004

| House Bill | FY03 Prior Year Actual | Current Year | Governor's Amended Recommendation | House Recommendation | Senate Recommendation | Confere Recommendation |
|---------------|----------------------------------|--------------|---|-------------------------|--------------------------|---------------------------|
| 11 | <u>Social Services</u> | | | | | |
| | General Revenue | 3,245.19 | 3,043.32 | 3,011.88 | 2,950.38 | 2,840.99 |
| | Federal Funds | 5,367.85 | 5,295.43 | 5,068.99 | 5,046.72 | 5,069.04 |
| | Other Funds | 436.40 | 567.47 | 565.97 | 560.10 | 565.97 |
| | Total | 9,049.44 | 8,906.22 | 8,646.84 | 8,557.20 | 8,476.00 |
| 12 | <u>Elected Officials</u> | | | | | |
| | General Revenue | 696.71 | 697.23 | 695.23 | 690.13 | 693.23 |
| | Federal Funds | 40.55 | 89.61 | 90.61 | 90.61 | 89.61 |
| | Other Funds | 157.54 | 174.28 | 175.78 | 175.28 | 176.78 |
| | Total | 894.80 | 961.12 | 961.62 | 956.02 | 959.62 |
| 12 | <u>Judiciary</u> | | | | | |
| | General Revenue | 3,241.16 | 3,238.11 | 3,240.11 | 3,206.11 | 3,210.11 |
| | Federal Funds | 49.48 | 100.25 | 98.25 | 98.25 | 98.25 |
| | Other Funds | 58.48 | 61.50 | 62.50 | 62.50 | 62.50 |
| | Total | 3,349.12 | 3,399.86 | 3,400.86 | 3,366.86 | 3,370.86 |
| 12 | <u>Public Defender</u> | | | | | |
| | General Revenue | 526.91 | 558.13 | 558.13 | 558.13 | 558.13 |
| | Federal Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Other Funds | 2.04 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Total | 528.95 | 560.13 | 560.13 | 560.13 | 560.13 |
| 12 | <u>General Assembly</u> | | | | | |
| | General Revenue | 711.36 | 728.50 | 706.21 | 721.84 | 721.84 |
| | Federal Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Other Funds | 0.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Total | 711.36 | 729.50 | 707.21 | 722.84 | 722.84 |
| | <u>Total HB 1 - HB 12</u> | | | | | |
| | General Revenue | 34,433.21 | 33,757.83 | 33,066.71 | 32,528.23 | 32,891.70 |
| | Federal Funds | 10,233.10 | 10,967.20 | 10,602.51 | 10,593.24 | 10,624.37 |
| | Other Funds | 17,036.75 | 17,797.80 | 17,754.82 | 17,730.53 | 17,759.40 |
| | Total | 61,703.06 | 62,522.83 | 61,424.04 | 60,852.00 | 61,275.47 |

FY 2005 After Veto Operating Budget All Funds: \$18.867 Billion

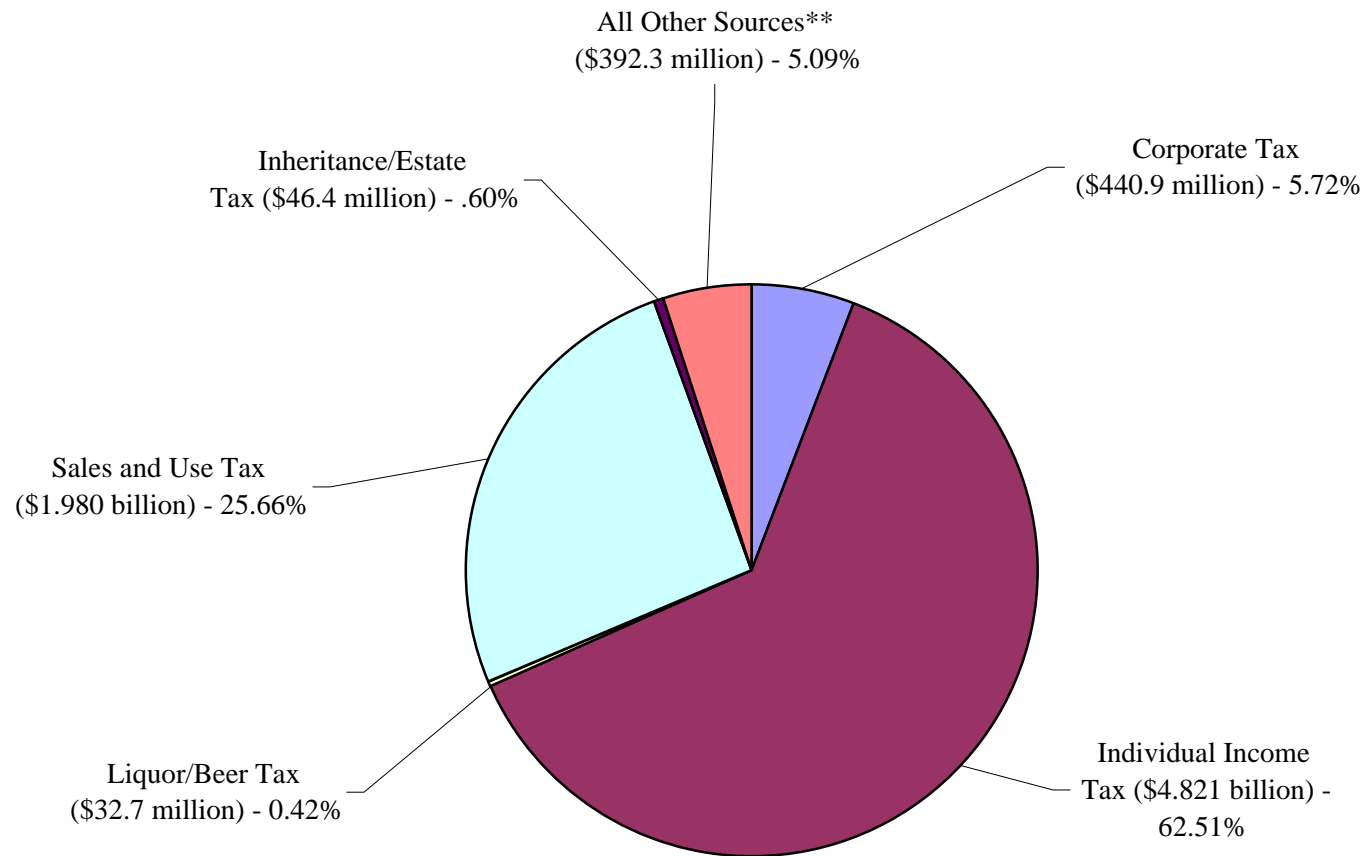


FY 2005 After Veto Operating Budget
General Revenue: \$7.128 Billion



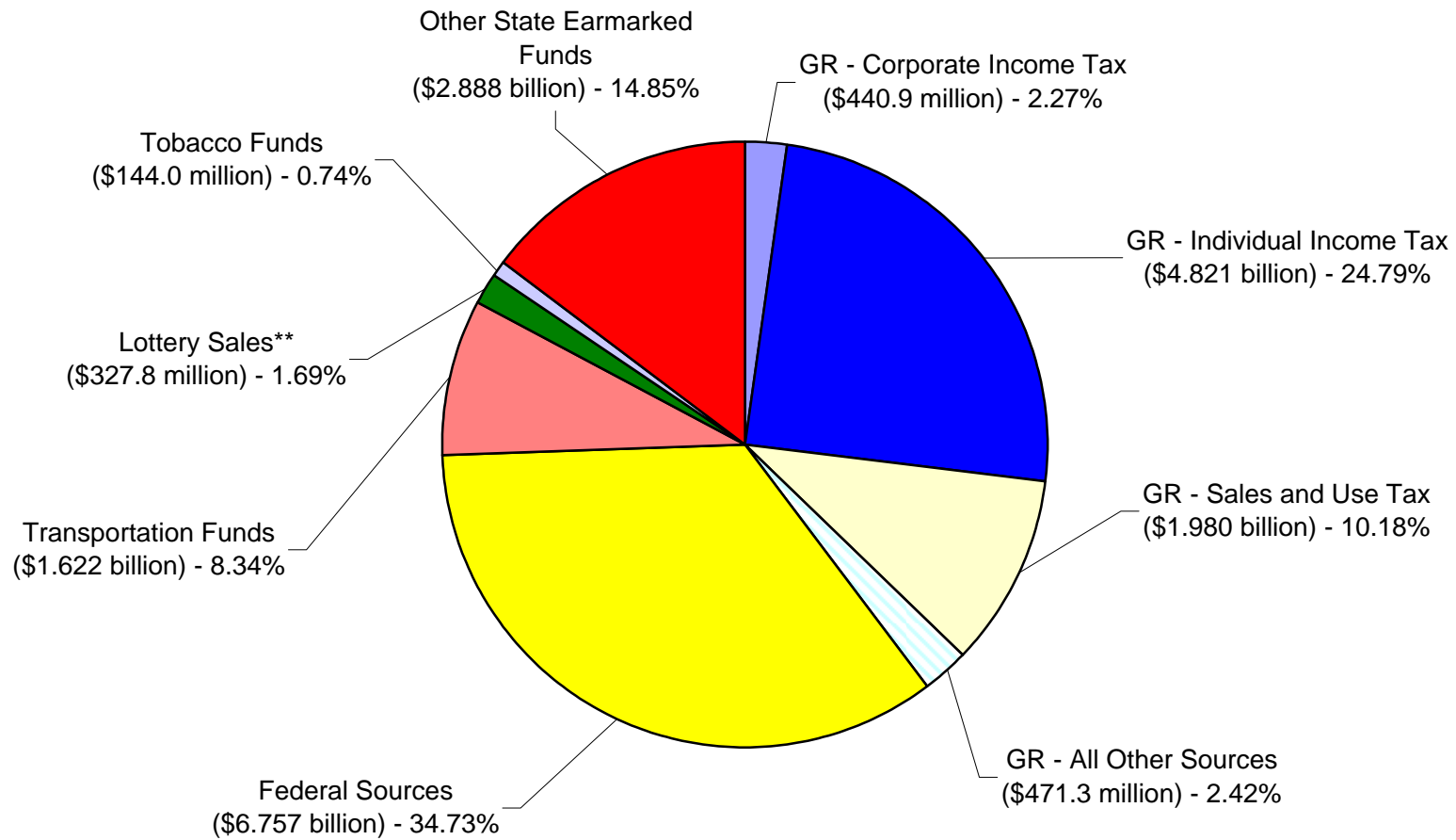
FY 2005 GR Estimate*

\$7.713.3 Billion



FY 2005 All Revenues*

Estimate: \$19.452 Billion



DISTRIBUTION OF EACH TAX DOLLAR

FY 2005 AFTER VETO MISSOURI OPERATING APPROPRIATIONS

All Funds: \$18.867 Billion



* Revenue, Office of Administration, Elected Officials, General Assembly, Leasing

DISTRIBUTION OF EACH GENERAL REVENUE TAX DOLLAR

FY 2005 AFTER VETO MISSOURI OPERATING APPROPRIATIONS

General Revenue: \$7.128 Billion



* Revenue, Office of Administration, Elected Officials, General Assembly, Leasing

SUMMARY OF GOVERNOR'S VETOES

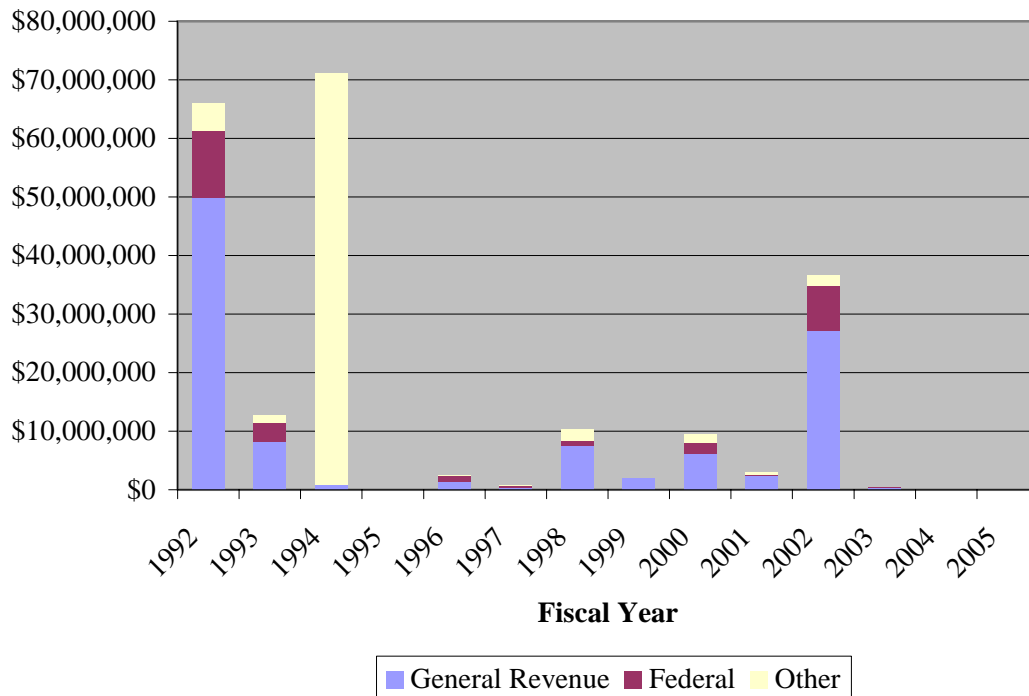
FY 2005 OPERATING BUDGET, STATEWIDE LEASING, CAPITAL IMPROVEMENTS, & REAPPROPRIATIONS

| House Bill | Department | Section | Amount Vetoed | FTE | Fund | Remarks |
|------------|--------------------------|---------|---------------|-----|------|---|
| 1005 | Office of Administration | 5.226 | \$1 E | | GR | For the purpose of funding the payment of principal and interest on bonds for institutions of higher education that was contingent upon passage of legislation that did not pass. |
| 1005 | Office of Administration | 5.227 | \$1 E | | OTH | For the purpose of funding the transfer of Life Science Research Trust Funds to GR for reimbursement of the principal and interest payments for life science projects. |

TOTAL FY 2005 VETOES

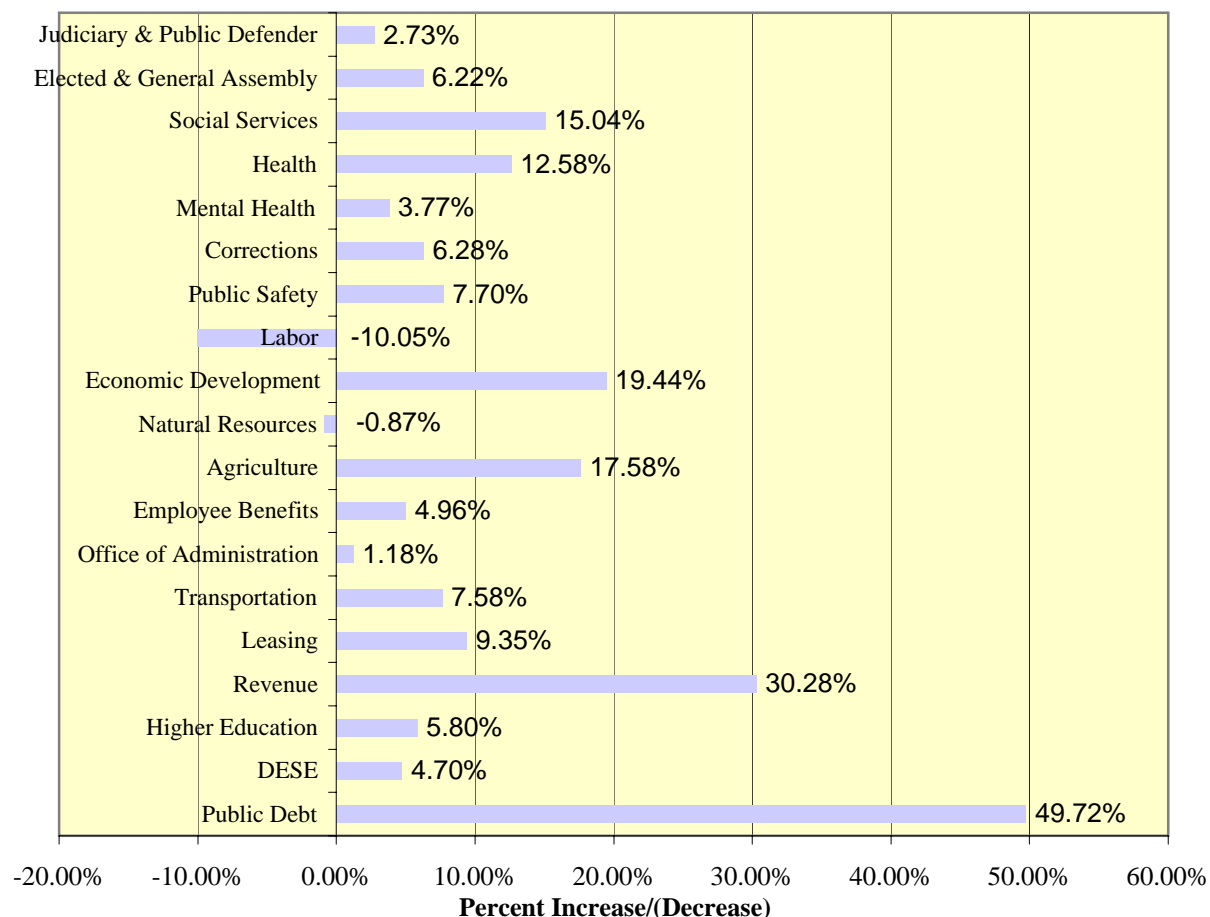
| | |
|-------------------------|----------|
| General Revenue Fund | \$1 |
| Federal Funds | 0 |
| Other State Funds | <u>1</u> |
| Total of FY 2005 Vetoes | \$2 |
| (FTE) | (0.00) |

Governor Veto History Fiscal Years 1992 - 2005



FY 2004 Actual GR Expenditures vs. FY 2005 GR Appropriation

| Department/Agency | FY 2004 Actual | FY 2005 | Difference | % Change |
|-----------------------------|----------------------|----------------------|--------------------|--------------|
| Public Debt | \$ 68,827,494 | \$ 103,045,815 | \$ 34,218,321 | 49.72% |
| DESE | 2,447,249,919 | 2,562,386,690 | 115,136,771 | 4.70% |
| Higher Education | 815,064,751 | 862,342,574 | 47,277,823 | 5.80% |
| Revenue | 69,387,674 | 90,400,447 | 21,012,773 | 30.28% |
| Leasing | 25,084,261 | 27,429,258 | 2,344,997 | 9.35% |
| Transportation | 11,304,721 | 12,162,168 | 857,447 | 7.58% |
| Office of Administration | 151,352,958 | 153,139,380 | 1,786,422 | 1.18% |
| Employee Benefits | 424,157,043 | 445,183,121 | 21,026,078 | 4.96% |
| Agriculture | 12,968,647 | 15,248,217 | 2,279,570 | 17.58% |
| Natural Resources | 8,595,916 | 8,521,062 | (74,854) | -0.87% |
| Economic Development | 37,004,001 | 44,195,819 | 7,191,818 | 19.44% |
| Labor | 2,958,825 | 2,661,426 | (297,399) | -10.05% |
| Public Safety | 42,252,445 | 45,507,763 | 3,255,318 | 7.70% |
| Corrections | 492,485,349 | 523,395,862 | 30,910,513 | 6.28% |
| Mental Health | 502,633,401 | 521,575,544 | 18,942,143 | 3.77% |
| Health | 72,120,587 | 81,195,589 | 9,075,002 | 12.58% |
| Social Services | 1,205,302,334 | 1,386,592,216 | 181,289,882 | 15.04% |
| Elected & General Assembly | 69,966,128 | 74,318,686 | 4,352,558 | 6.22% |
| Judiciary & Public Defender | 164,800,909 | 169,293,589 | 4,492,680 | 2.73% |
| TOTALS | 6,623,517,363 | 7,128,595,226 | 505,077,863 | 7.63% |



Section II

FISCAL YEAR 2005 DEPARTMENTAL BUDGET INFORMATION

MAJOR OPERATING BUDGET CHANGES FOR FY 2005

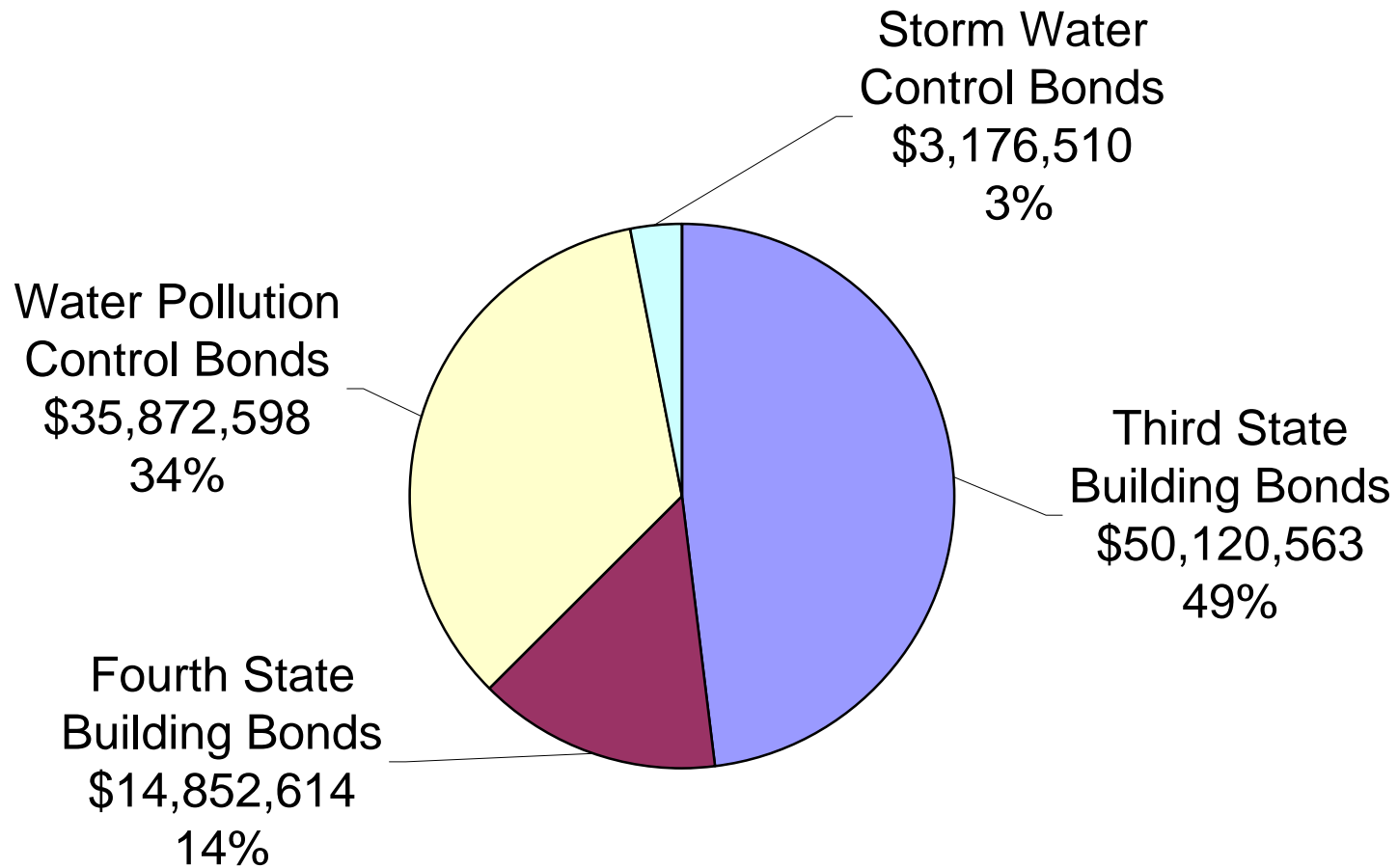
HB 1001 – PUBLIC DEBT

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$103,553,110 | \$103,045,815 | (.49%) |
| FED | 0 | 0 | 0.0% |
| OTHER | <u>987,647</u> | <u>996,472</u> | <u>.89%</u> |
| TOTAL | \$104,540,757 | \$104,042,287 | (.47%) |

| <u>Bond Issue</u> | <u>Principal Outstanding</u> | <u>Debt Service</u> |
|-------------------|------------------------------|---------------------|
| Water Pollution | \$ 336,490,000 | \$ 35,872,598 |
| Third State | 303,105,000 | 50,120,563 |
| Fourth State | 218,015,000 | 14,852,614 |
| Stormwater | <u>43,135,000</u> | <u>3,176,510</u> |
| Total | \$ 900,745,000 | \$ 104,022,285 |

- Water Pollution Control Bonds-protection of the environment through the control of water pollution
- Third State Building Bonds-provides funds for improvements of State buildings and property
- Fourth State Building Bonds-provides funds for improvements of buildings and property of higher education institutions, the Department of Corrections and the Division of Youth Services
- Stormwater Control Bonds-protection of the environment through the control of stormwaters

FY 2005 Public Debt
General Obligation Bond Principal & Interest Payment Distribution
\$104,022,285



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

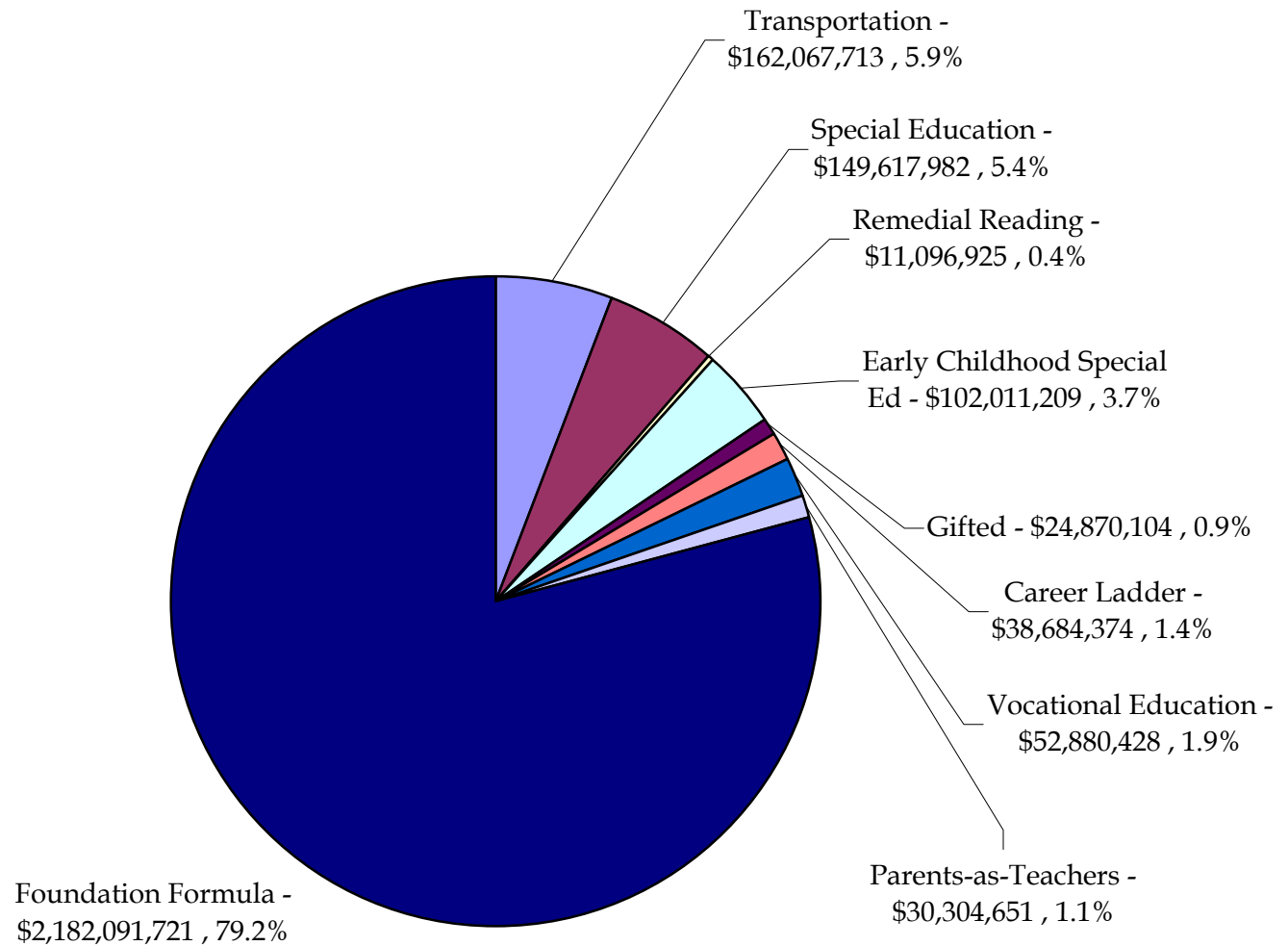
HB 1002 – DEPT. OF ELEMENTARY AND SECONDARY EDUCATION

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$2,464,161,089 | \$2,562,386,690 | 4.0% |
| FED | 927,318,630 | 995,086,690 | 7.3% |
| OTHER | <u>1,158,941,912</u> | <u>1,209,356,093</u> | <u>4.4%</u> |
| TOTAL | \$4,550,421,631 | \$4,766,829,473 | 5.0% |
| F.T.E. | 2,020.28 | 1,968.15 | (2.3%) |

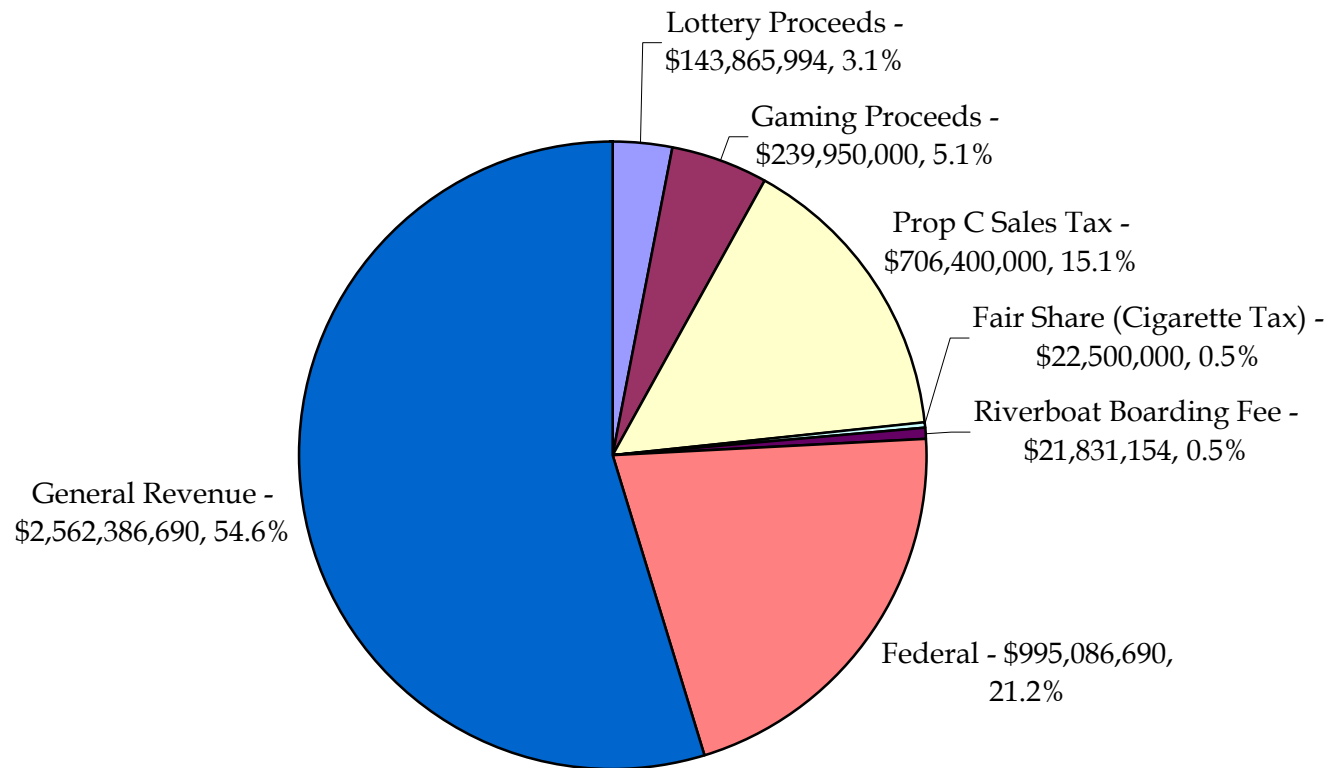
Major Changes

| | |
|-----------------|---|
| \$106,234,051 | Provides for an increase to the Foundation Formula |
| \$9,900,394 | Provides for an increase to the Transportation categorical |
| \$20,736,425 | Provides for an increase to the Early Childhood Special Education categorical |
| \$1,454,162 | Provides for an increase to the Gifted categorical |
| \$1,386,718 | Provides for an increase to the Career Ladder categorical |
| \$2,408,675 | Provides for an increase to the Parents-as-Teachers program |
| \$800,000 | Provides for an increase to the Vocational Education categorical |
| \$8,277,142 | Provides for an increase to the First Steps Program |
| \$20,000,000 | Provides for an increase for special education (Federal funds) |
| \$15,000,000 | Provides for an increase in the Title I, Reading First Grant (Federal funds) |
| \$5,000,000 | Provides for an increase for school-aged child care (Federal funds) |
| \$13,056,681 | Provides for an increase for the school food program (Federal funds) |
| \$4,102,510 FED | Provides for an increase for Personal Care Assistants |
| \$2,302,636 GR | |

FY 2005
Foundation Program Appropriations by Category
\$2,753,625,107



FY 2005
Appropriations for Elementary and Secondary Education
by Major Fund Source
\$4,692,020,528



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

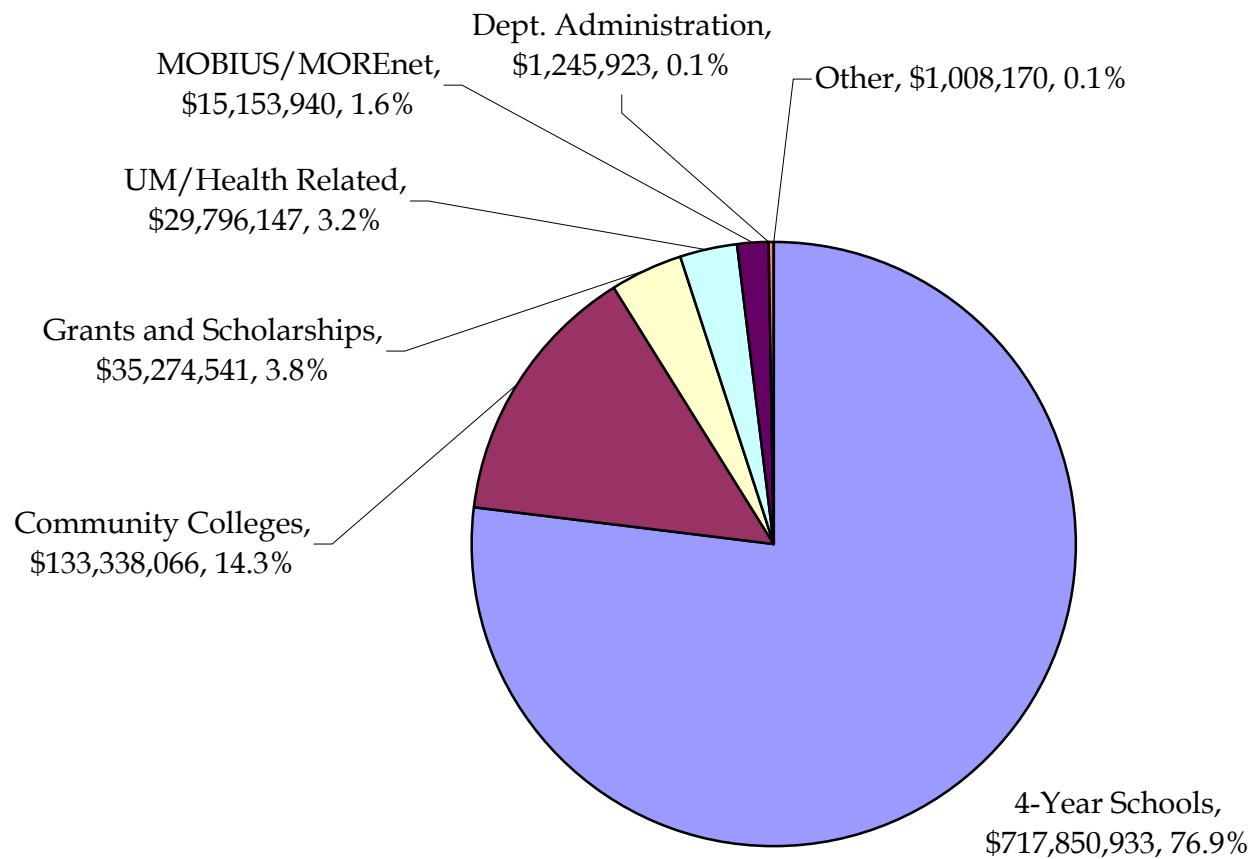
HB 1003 – HIGHER EDUCATION

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$839,518,558 | \$862,342,574 | 2.7% |
| FED | 6,690,637 | 6,247,637 | (6.6%) |
| OTHER | <u>181,476,578</u> | <u>180,529,321</u> | <u>(0.5%)</u> |
| TOTAL | \$1,027,685,773 | \$1,049,119,532 | 2.1% |
| F.T.E. | 94.73 | 89.73 | (5.3%) |

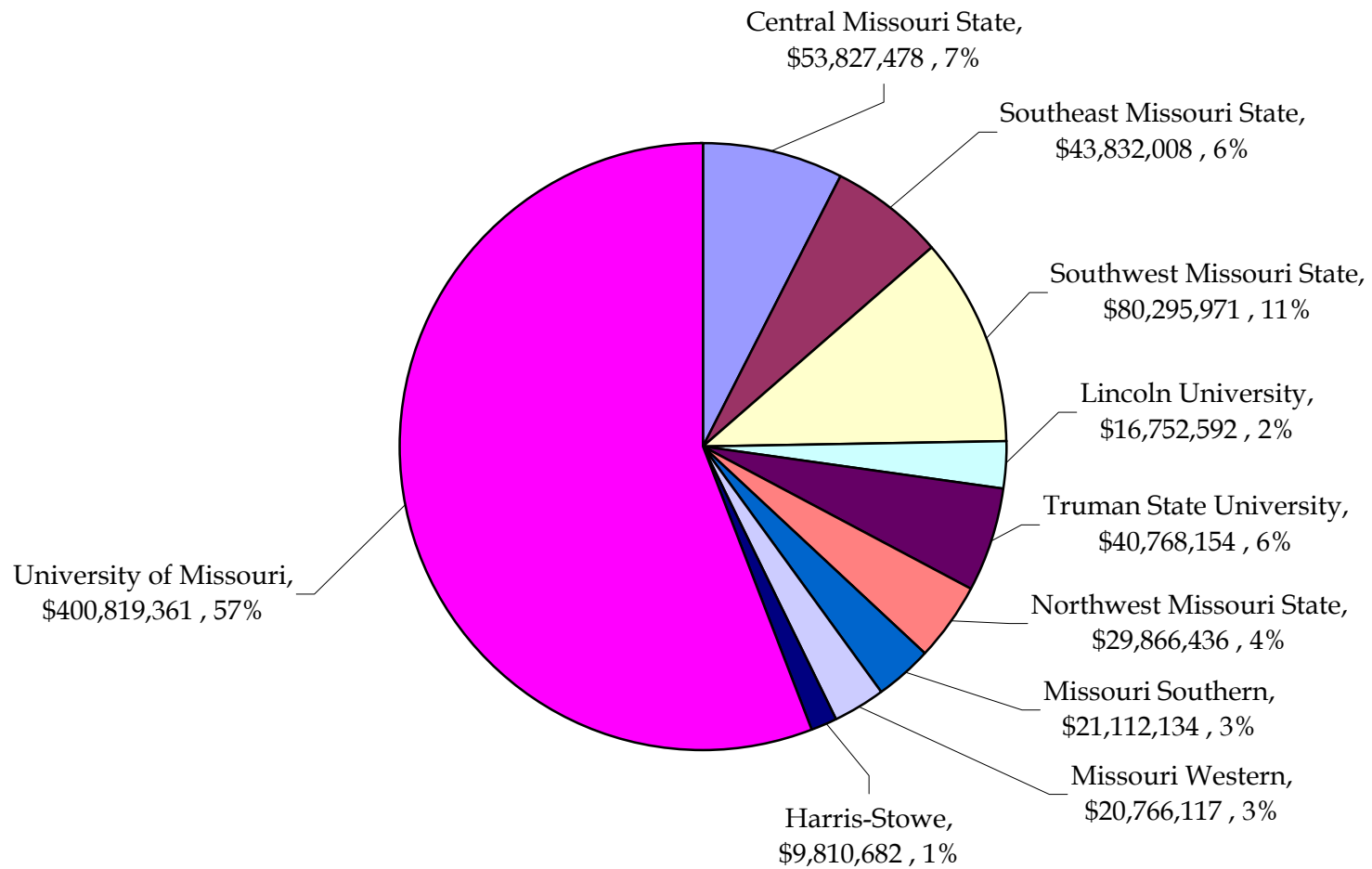
Major Changes

| | |
|--------------|---|
| \$1,260,000 | Provides for an increase to Central Missouri State University |
| \$1,026,025 | Provides for an increase to Southeast Missouri State University |
| \$2,538,778 | Provides for an increase to Southwest Missouri State University |
| \$392,147 | Provides for an increase to Lincoln University |
| \$954,306 | Provides for an increase to Truman State University |
| \$699,117 | Provides for an increase to Northwest Missouri State University |
| \$738,343 | Provides for an increase to Missouri Southern State University-Joplin |
| \$681,414 | Provides for an increase to Missouri Western State College |
| \$229,650 | Provides for an increase to Harris-Stowe State College |
| \$12,080,429 | Provides for an increase to the University of Missouri |
| \$3,316,513 | Provides for an increase to community colleges |
| (\$500,000) | Provides for a reduction to the MOREnet appropriation |

**FY 2005
HIGHER EDUCATION
General Revenue and Lottery Appropriations
\$933,667,720**



FY 2005
4-Year College and University State Appropriations
\$717,850,933



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1004 – DEPT. OF REVENUE

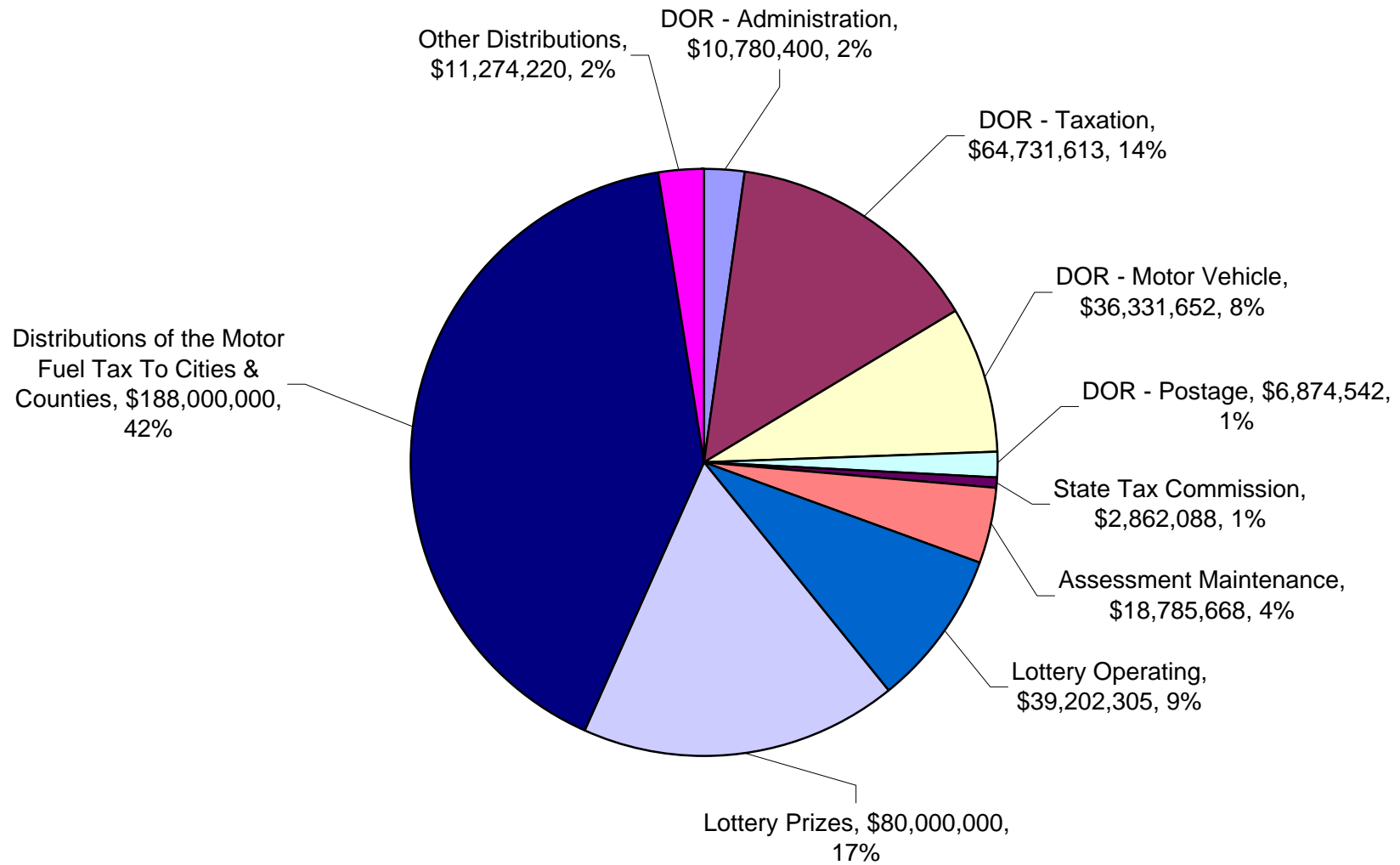
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$79,388,409 | \$90,400,447 | 13.9% |
| FED | 8,048,685 | 9,001,789 | 11.9% |
| OTHER | <u>362,223,394</u> | <u>359,440,252</u> | <u>(0.8%)</u> |
| TOTAL | \$449,660,488 | \$458,842,488 | 2.0% |
| F.T.E. | 2,156.20 | 2,107.70 | (2.2%) |

Major Changes

| | |
|---------------|--|
| \$7,000,000 | Provides funding for the completion of a Computer Assisted Collection System that will increase collections by \$14,000,000 to \$49,000,000 in FY05 |
| \$3,800,000 | Provides General Revenue funding for and increase in Assessment Maintenance |
| \$500,000 | Provides General Revenue funding for DOR to set up a Los Angeles audit office. DOR estimates that this office will increase collections by \$4,000,000 in FY05 and \$8,000,000 in FY06 |
| (\$3,000,000) | Provides for a reduction in Lottery E&E spending |
| (\$250,452) | Provides for a General Revenue reduction of 7.0 vacancies in the Division of Taxation |

FY 2005 DEPARTMENT OF REVENUE

\$458,842,488



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

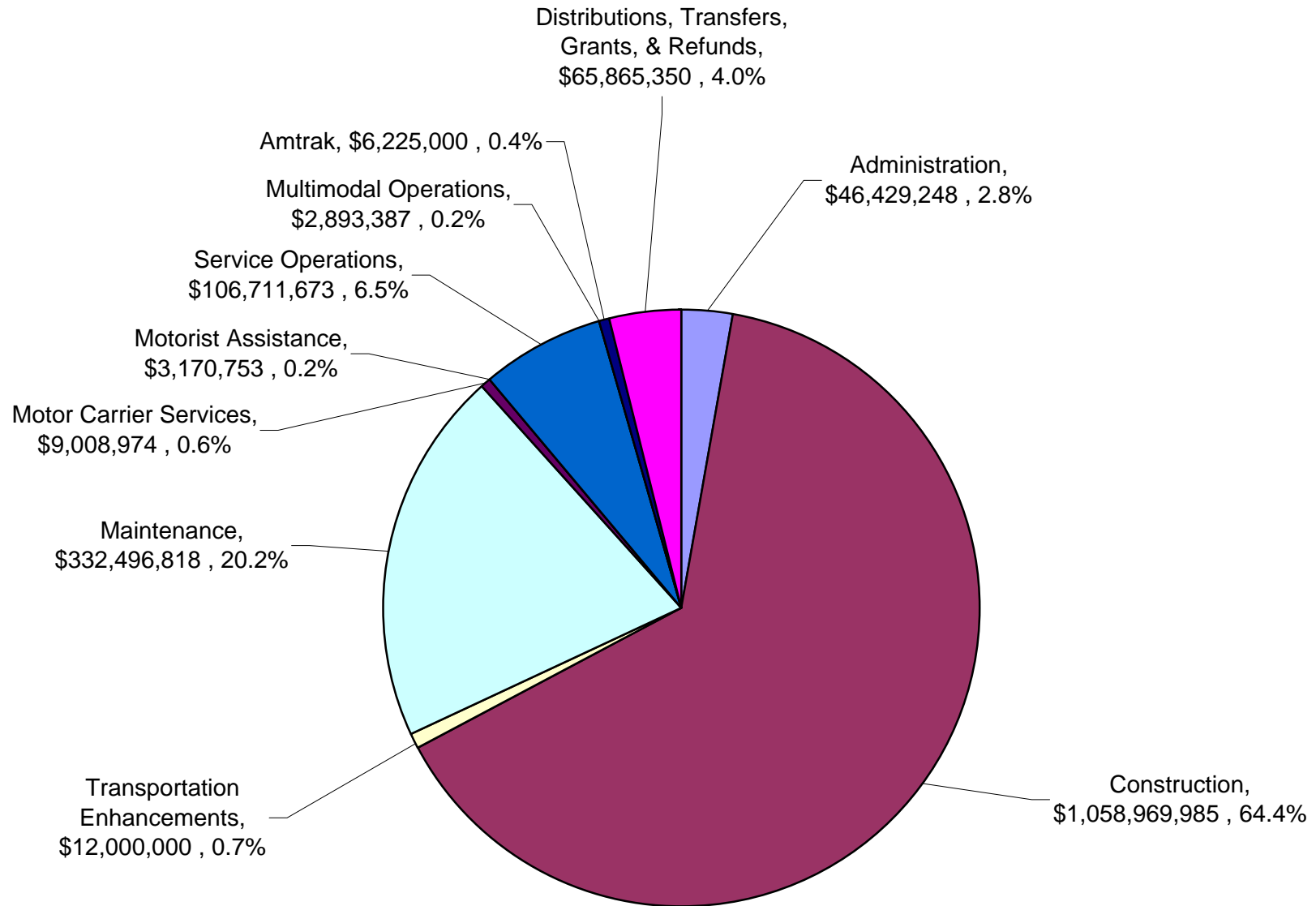
HB 1004 – DEPT. OF TRANSPORTATION

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$10,665,296 | \$12,162,168 | 14.0% |
| FED | 55,597,241 | 53,276,877 | (4.2%) |
| OTHER | <u>1,658,351,078</u> | <u>1,578,332,143</u> | <u>(4.8%)</u> |
| TOTAL | \$1,724,613,615 | \$1,643,771,188 | (4.7%) |
| F.T.E. | 6,682.25 | 6,688.25 | 0.1% |

Major Changes

| | |
|-----------------|--|
| \$106,773,535 | Estimated additional state and federal revenue available for new construction projects |
| \$15,989,846 | Additional funding needed to cover the debt service on \$903 million in outstanding bonds |
| \$1,826,803 | Additional funding needed to cover the increased cost of general liability insurance for the department |
| \$1,200,000 | Provides General Revenue funds for Amtrak to continue twice-daily passenger rail service between Kansas City and St. Louis |
| \$300,000 | Provides for additional funding for port authorities |
| (\$255,999,999) | Provides for a core reduction for proceeds from Series A 2003 Bonds |

FY2005 Department of Transportation
\$1,643,771,188



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1005 – OFFICE OF ADMINISTRATION

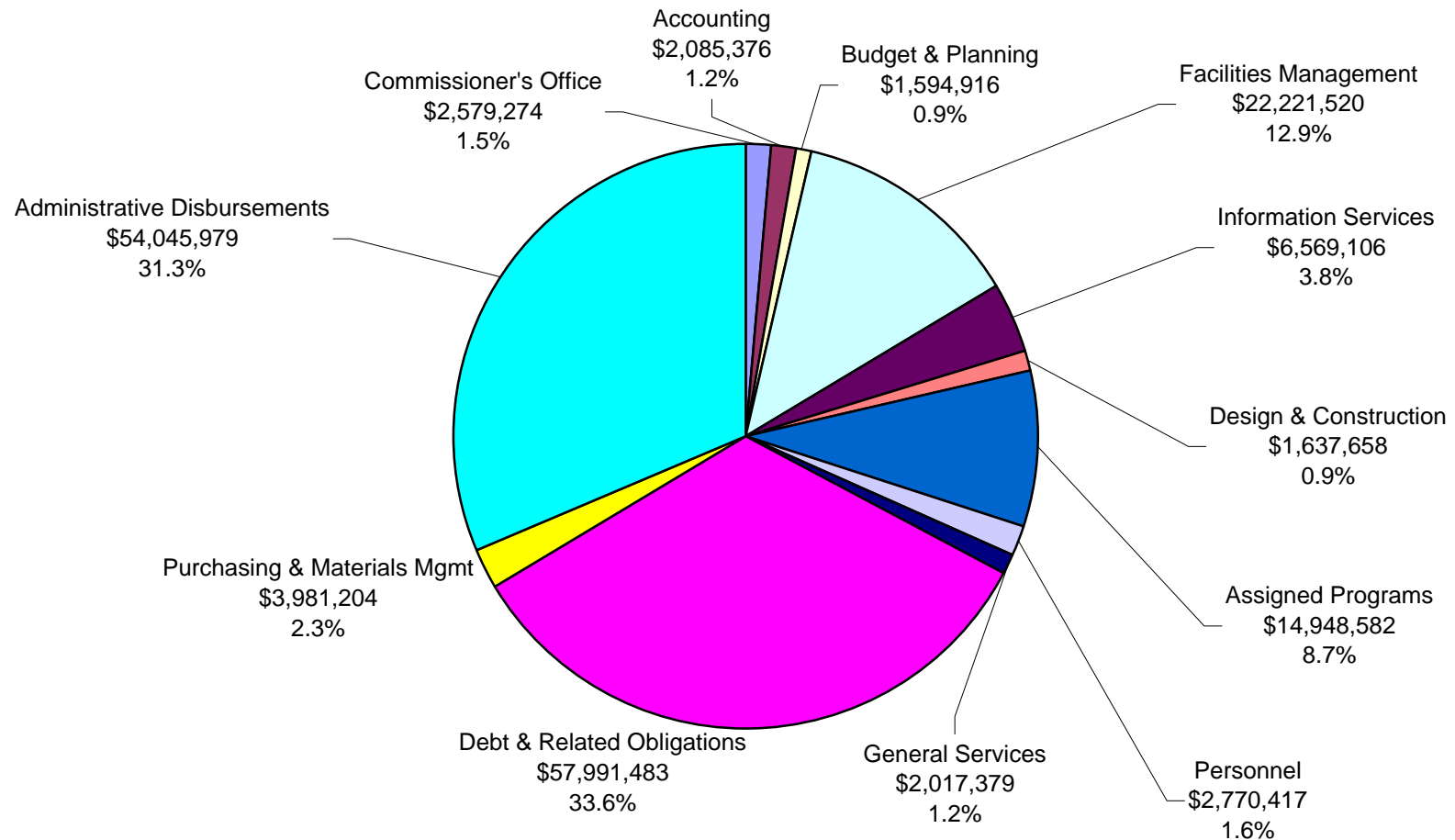
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$147,521,674 | \$153,139,380 | 3.8% |
| FED | 19,952,464 | 9,568,718 | (52.0)% |
| OTHER | <u>8,031,151</u> | <u>9,734,796</u> | <u>21.2%</u> |
| TOTAL | \$175,505,289 | \$172,442,894 | (1.7)% |
| F.T.E. | 966.67 | 934.47 | (3.3%) |

Major Changes

| | |
|----------------|--|
| \$3,884,000 | Provides for the funding special election costs |
| \$3,545,971 | Provides for the funding of the Assistive Technology Program transferred from the Department of Labor and Industrial Relations |
| \$223,119 | Provides for the funding of the Governor's Council on Disability transferred from the Department of Labor and Industrial Relations |
| \$200,000 | Provides funding for contract services for management of the state's debt |
| \$2,868,784 | Provides funding for the annual debt service payment for the MU basketball arena |
| (\$1,047,384) | Provides for a reduction in costs of criminal cases based on actual need |
| (\$3,281,290) | Provides for reductions of personal service and expense & equipment |
| (\$11,189,496) | Provides for reductions for the one time expenditure of federal funds for security, licenses and business continuity |

FY 2005 Office of Administration

\$172,442,894



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1005 – EMPLOYEE BENEFITS

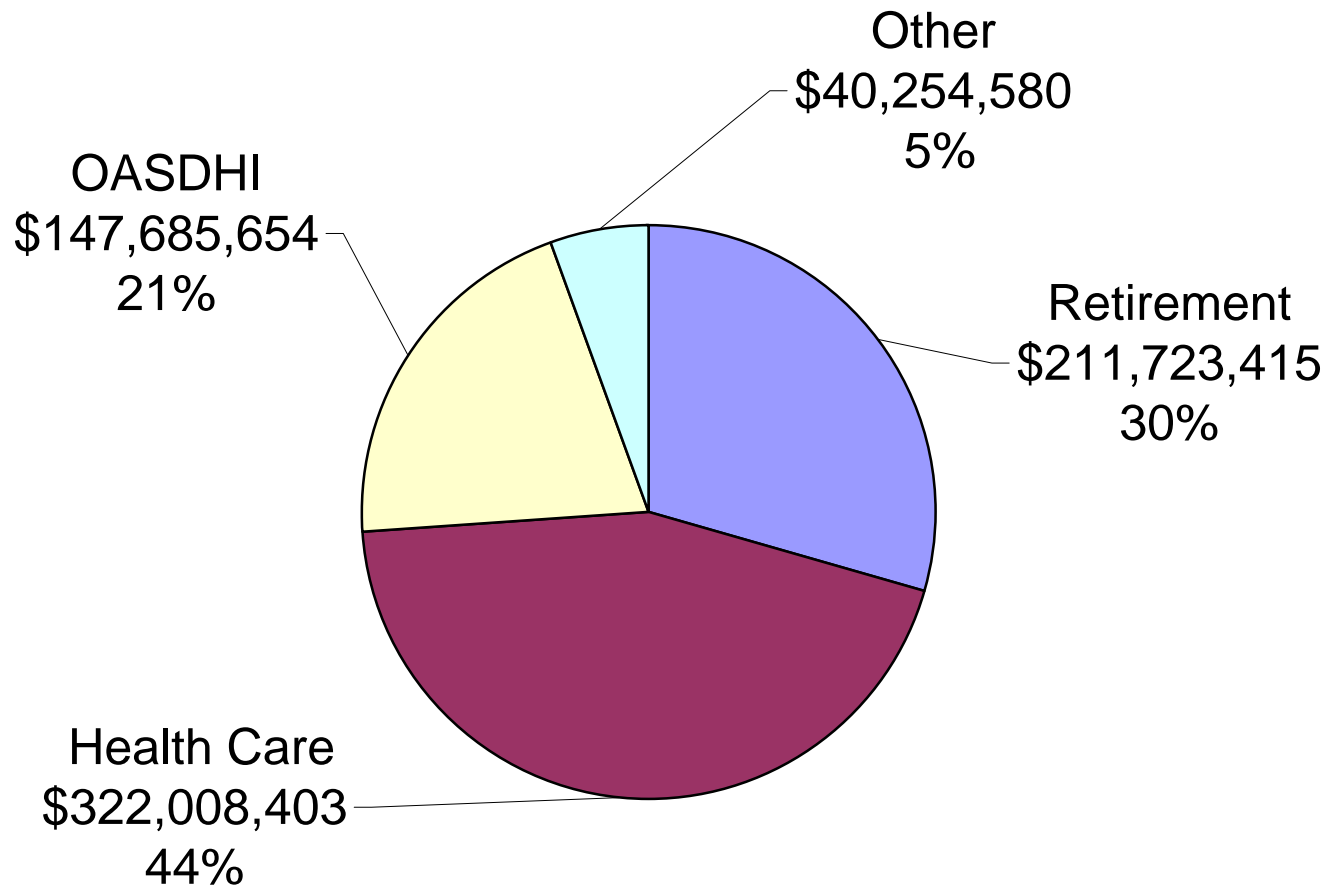
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$415,478,524 | \$445,183,121 | 7.1% |
| FED | 120,621,393 | 139,683,562 | 15.8% |
| OTHER | <u>116,887,848</u> | <u>136,805,369</u> | <u>17.0%</u> |
| TOTAL | \$652,987,765 | \$721,672,052 | 10.5% |

Major Changes

| | |
|--------------|---|
| \$1,590,708 | Provides for additional funding for increases in OASDHI contributions for state employees |
| \$22,272,584 | Provides for additional funding for increases in retirement contributions for state employees |
| \$46,306,609 | Provides for additional funding for increases in health care contributions for state employees including increasing the state's subsidy for employee/spouse coverage and employee/family coverage from 73.5% and 78.5%, respectively, to 80%. |

FY 2005 State Employee Benefits

\$721,672,052



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1006 – DEPT. OF AGRICULTURE

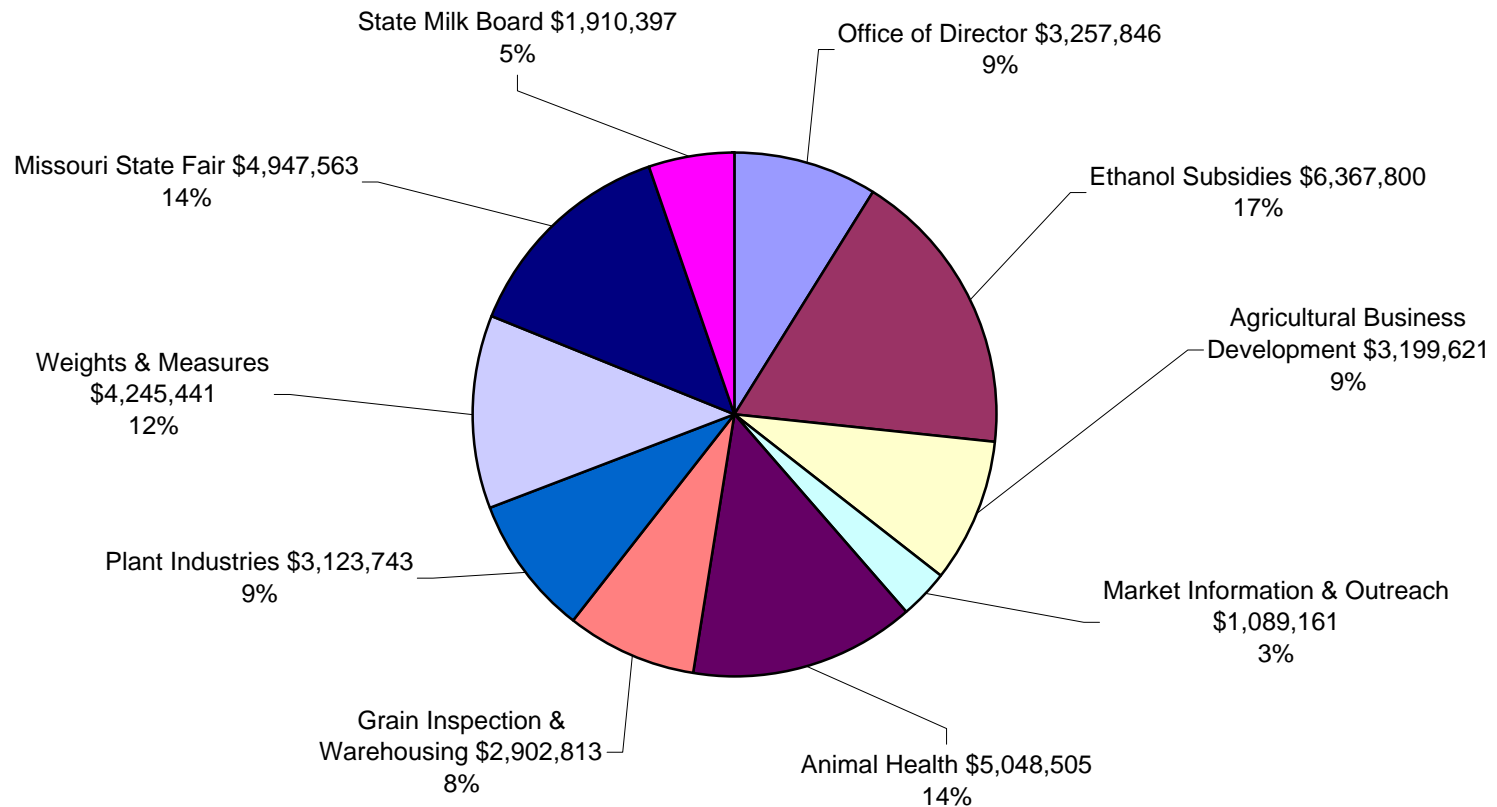
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$13,317,171 | \$15,248,217 | 14.5% |
| FED | 5,875,382 | 5,490,357 | (6.5%) |
| OTHER | <u>15,797,936</u> | <u>15,354,316</u> | <u>(2.8%)</u> |
| TOTAL | \$34,990,489 | \$36,092,890 | 3.1% |
| F.T.E. | 457.75 | 444.85 | (2.8%) |

Major Changes

| | |
|---------------|--|
| \$127,500 | Provides for organic certification program authorized by HB 1348 (2002) |
| \$177,302 | Provides for one-time Federal funding of a Hypoxia project and seed sampling and analysis for USDA |
| \$363,245 | Provides for replacement vehicles from Federal and Other Funds |
| \$125,000 | Provides for additional federal grant and not-for-profit funding to enhance the department's outreach and education efforts |
| \$178,386 | Provides for GR and Federal Funds to participate in the federal initiative to combat Bovine Spongiform Encephalopathy (Mad Cow Disease) through an Electronic Animal Identification System |
| \$3,151,103 | Provides for additional GR for ethanol subsidies. |
| (\$171,171) | Provides for a department-wide GR reduction in Personal Service and Expense and Equipment |
| (\$1,200,000) | Provides for reduction of federal Meth grant funding added in the FY 2004 budget. Action leaves in \$800,000 federal funding for Meth activities in the Weights & Measures Division |
| (\$400,000) | Provides for the elimination of excess appropriation authority in the Agriculture Development Fund |
| (\$400,000) | Provides for the elimination of excess appropriation authority in the Grain Inspection Fee Fund program, including 4.25 vacant FTE |

FY 2005 Department of Agriculture

\$36,092,890



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1006 – DEPT. OF NATURAL RESOURCES

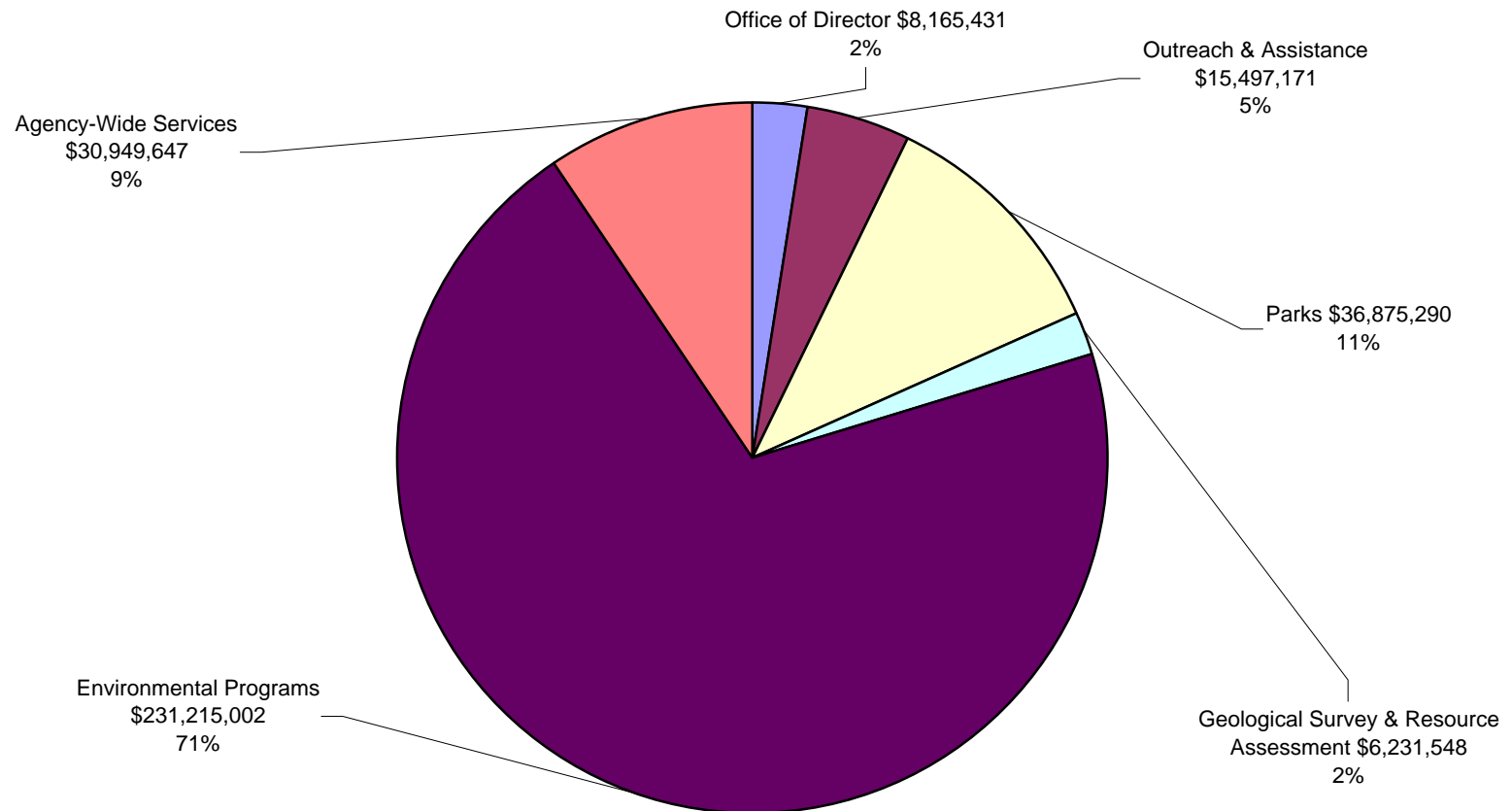
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$8,936,771 | \$8,521,062 | (4.6%) |
| FED | 46,927,510 | 45,192,505 | (3.7%) |
| OTHER | <u>275,810,752</u> | <u>275,220,522</u> | <u>(0.2%)</u> |
| TOTAL | \$331,675,033 | \$328,934,089 | (0.8%) |
| F.T.E. | 2,013.65 | 1,987.12 | (1.3%) |

Major Changes

| | |
|---------------|---|
| \$106,261 | Provides for GR Personal Service and Expense and Equipment for 2.00 FTE Engineers to re-establish the dam safety inspection program. |
| (\$354,948) | Provides for a department-wide GR reduction in Personal Service and Expense and Equipment. Includes fund shifts of GR to Federal/Other Funds for 2 positions |
| (\$3,726,743) | Provides for department-wide Federal and Other Fund reduction to eliminate excess appropriation authority |
| (\$188,808) | Provides for a GR 4.45 FTE reduction related to wastewater grant elimination in prior year budget and elimination of voluntary Letters of Approval initiative |

FY 2005 Department of Natural Resources

\$328,934,089



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1006 – DEPT. OF CONSERVATION

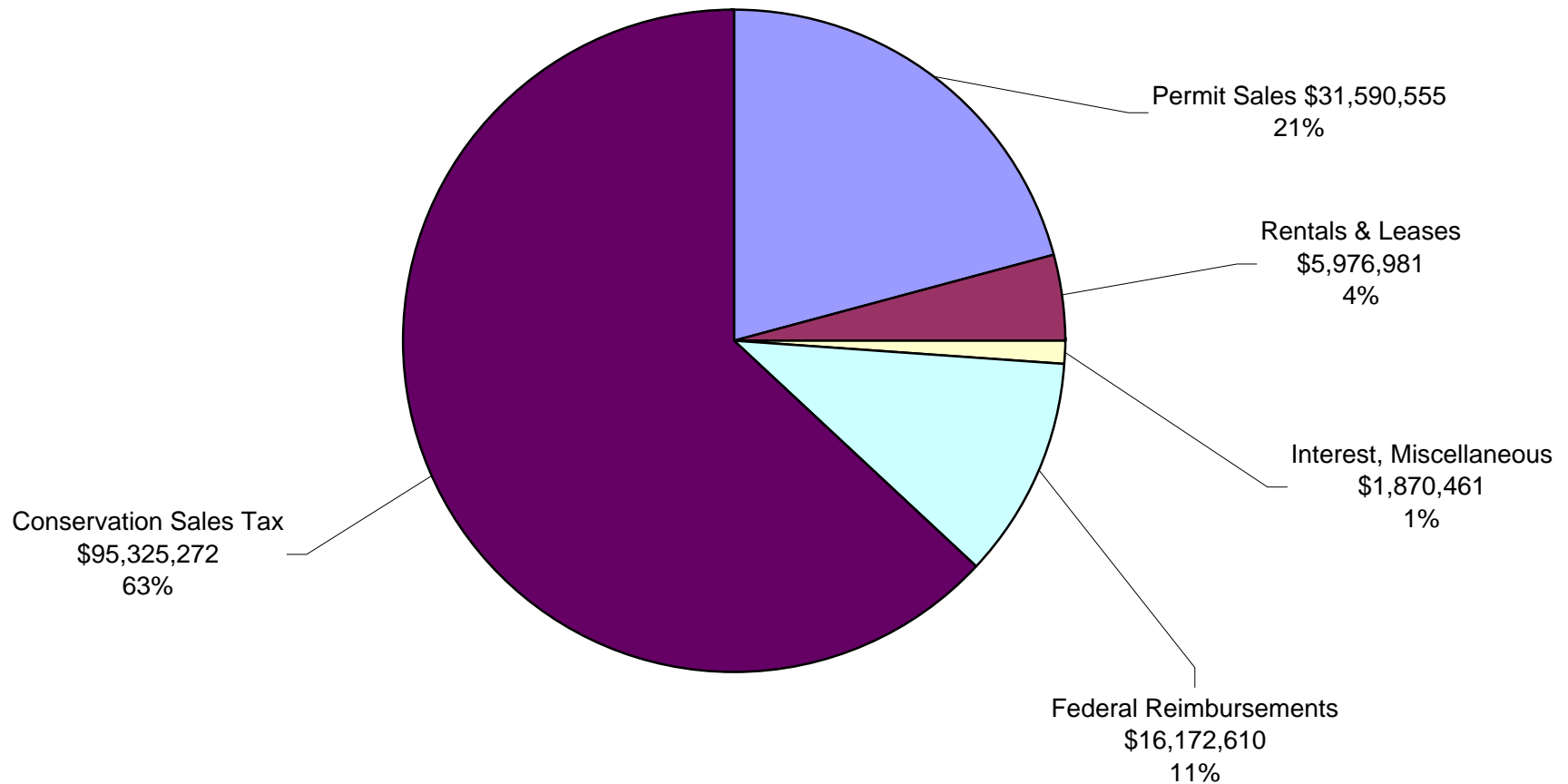
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$0 | \$0 | 0% |
| FED | 0 | 0 | 0% |
| OTHER | <u>126,951,038</u> | <u>133,931,123</u> | <u>5.5%</u> |
| TOTAL | \$126,951,038 | \$133,931,123 | 5.5% |
| F.T.E. | 1,871.61 | 1,871.61 | 0% |

Major Changes

| | |
|-------------|---|
| \$1,034,153 | Provides funding for an increase in health insurance costs |
| \$3,000,000 | Provides funding for increased maintenance needs for public areas and facilities, including projects such as: Striping ADA parking pad at Vandalia Community Lake Install ADA privies at Reform Conservation Area (CA) Replace existing dock with ADA dock at Whetstone Creek CA Replace asphalt road and parking at Camdenton Conservation Ctr Paint exterior at Rocky Mount tower site Rebuild boat ramp at Cooley Lake CA Rebuild 10 hunting blinds at Ted Shanks CA Interior and exterior renovation at Bur Oak Woods Nature Center Repair wooden fishing platform at Pony Express CA Replace low water crossing at Powder Valley Nature Center |
| \$700,000 | Provides funding for increased federal commitments to conservation through the 2002 farm bill. Increased resources for technical assistance to landowners and farmers |

FY 2005 Conservation Commission Fund

Estimated Revenue: \$150,935,879



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1007 – DEPT. OF ECONOMIC DEVELOPMENT

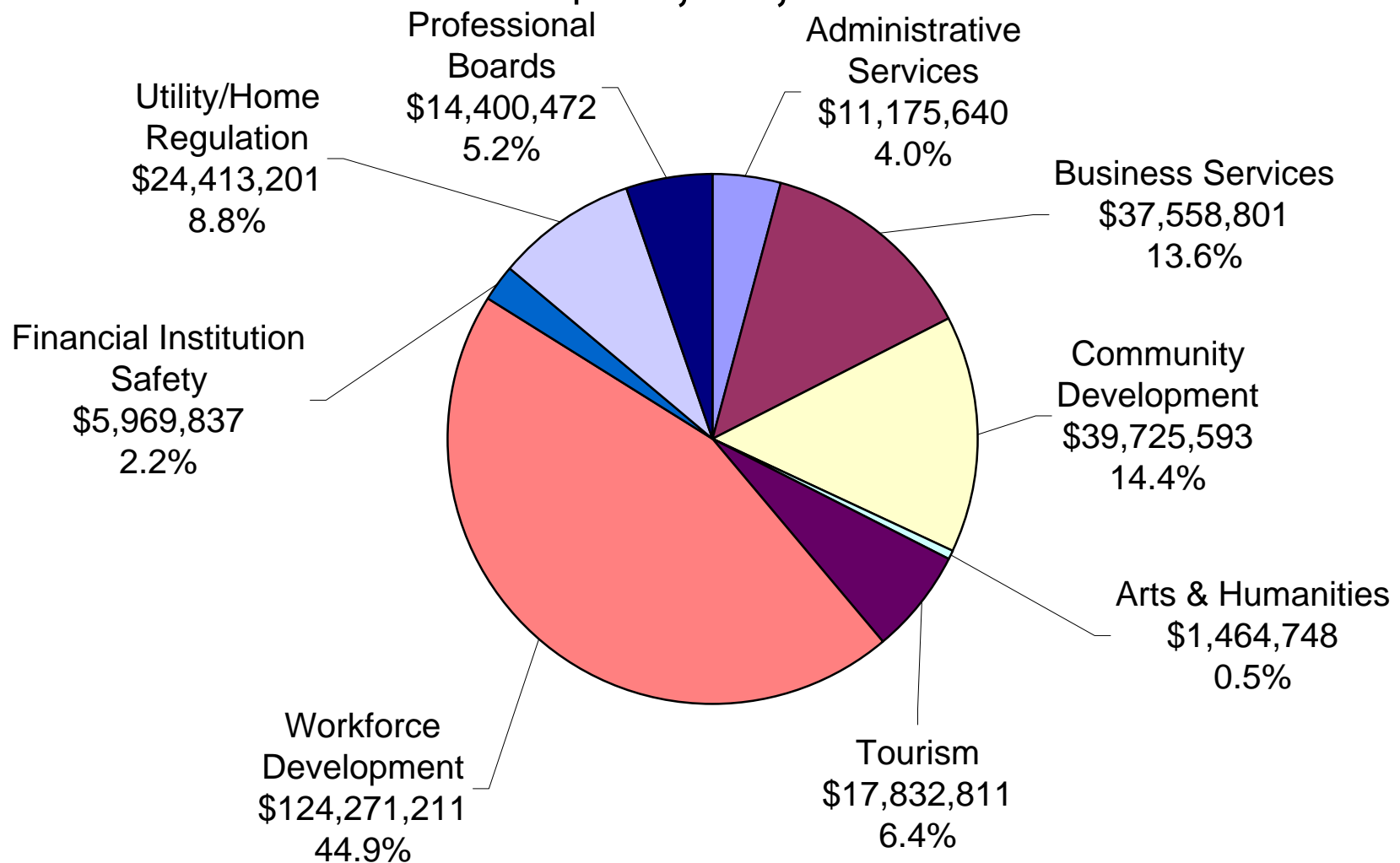
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$40,898,923 | \$44,195,819 | 8.1% |
| FED | 163,686,889 | 163,389,259 | (0.2%) |
| OTHER | <u>68,961,021</u> | <u>69,227,236</u> | <u>0.4%</u> |
| TOTAL | \$273,546,843 | \$276,812,314 | 1.2% |
| F.T.E. | 1,513.58 | 1,466.66 | (3.1%) |

Major Changes

| | |
|---------------|---|
| \$2,750,068 | Provides new GR funding for the Division of Tourism to bring the division up to the statutory funding level for FY 2005; funding will be used to attract additional out-of-state visitors |
| \$500,000 | Provides new GR funding for Missouri Arts Council programs |
| \$360,032 | Provides for 7.00 Public Service Commission Fund FTE to implement HB 208 (2003) |
| \$356,104 | Provides for 5.00 FTE GR and associated expense and equipment funding to implement the Missouri Downtown and Rural Economic Stimulus Act, HB 289 (2003) |
| \$169,728 | Provides for 3.00 FTE GR and associated expense and equipment funding to implement an internal auditing program over tax credits and tax incentive programs |
| \$1E | Provides for 1 new TIF project, Brush Creek Corridor in Kansas City |
| (\$265,483) | Provides for a GR reduction in Customized Job Training Program; reduction matches FY 2004 extraordinary withholding |
| (\$300,243) | Provides for a department-wide GR reduction in Personal Service and Expense and Equipment |
| (\$1,154,136) | Provides for a reduction of 45.00 FTE federal vacancies in the Workforce Development Division |

FY 2005 Department of Economic Development

\$276,812,314



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1007 – DEPT. OF LABOR & INDUSTRIAL RELATIONS

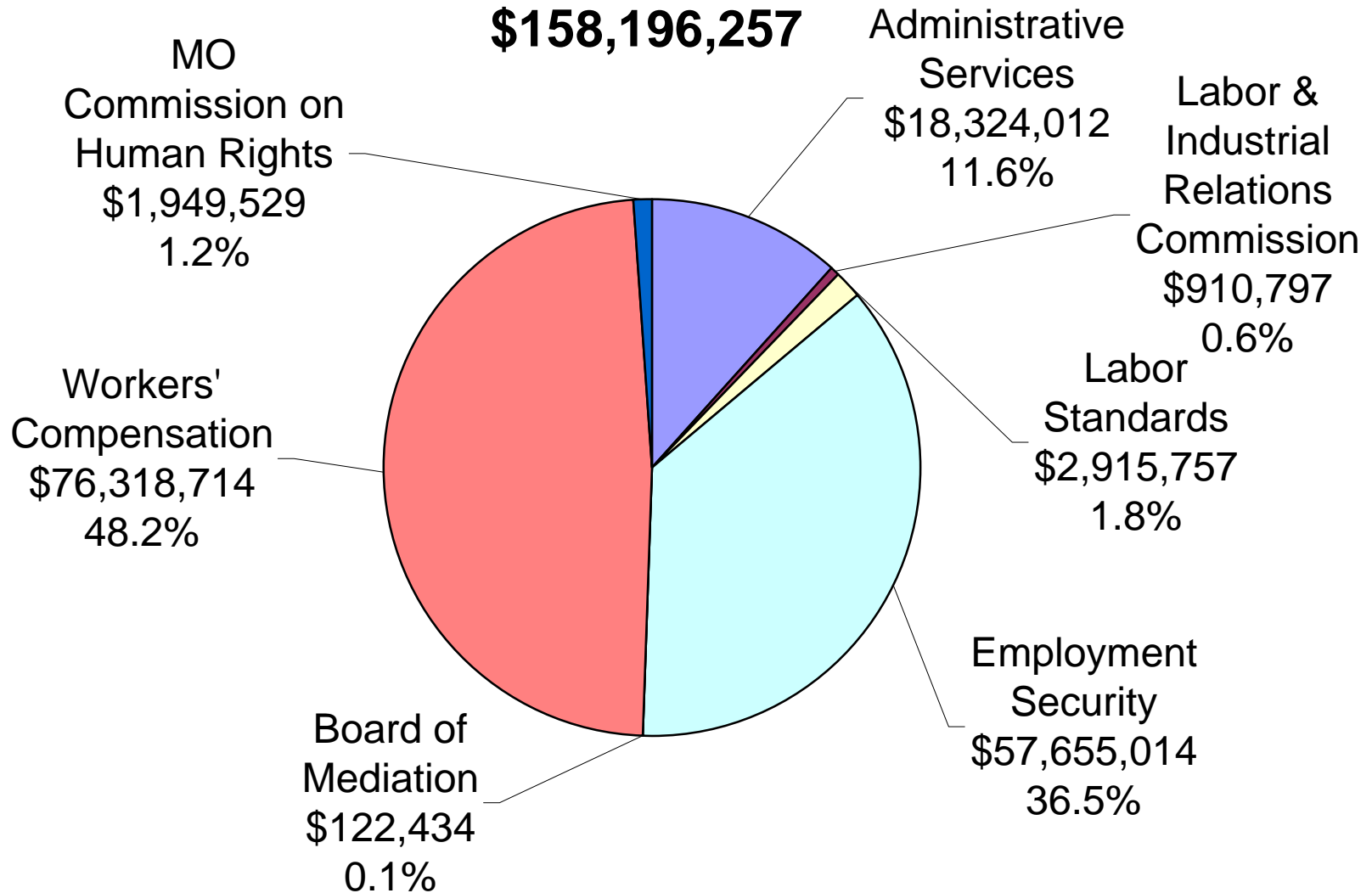
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$3,118,319 | \$2,661,426 | (14.6%) |
| FED | 68,097,711 | 62,564,793 | (8.1%) |
| OTHER | <u>81,107,154</u> | <u>92,970,038</u> | <u>14.6%</u> |
| TOTAL | \$152,323,184 | \$158,196,257 | 3.8% |
| F.T.E. | 1,278.77 | 1,184.41 | (7.4%) |

Major Changes

| | |
|---------------|--|
| \$12,600,000 | Provides for an interest assessment payment to the Federal Government on Title XII advances in the unemployment insurance program |
| \$5,000,000 | Provides Second Injury funds for increased benefit payments |
| \$700,000 | Provides Federal and Crime Victims' Compensation Funds for increased payments to victims of crimes |
| (\$4,769,305) | Provides for a transfer of the Governor's Council on Disability and the Assistive Technology Program to the Office of Administration, including 15.70 FTE and \$276,094 GR |

FY 2005 Department of Labor & Industrial Relations

\$158,196,257



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1007 – DEPT. OF INSURANCE

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$0 | \$0 | 0% |
| FED | 450,000 | 450,000 | 0% |
| OTHER | <u>14,268,710</u> | <u>13,884,932</u> | <u>(2.6%)</u> |
| TOTAL | \$14,718,710 | \$14,334,932 | (2.6%) |
| F.T.E. | 226.50 | 218.50 | (3.5%) |

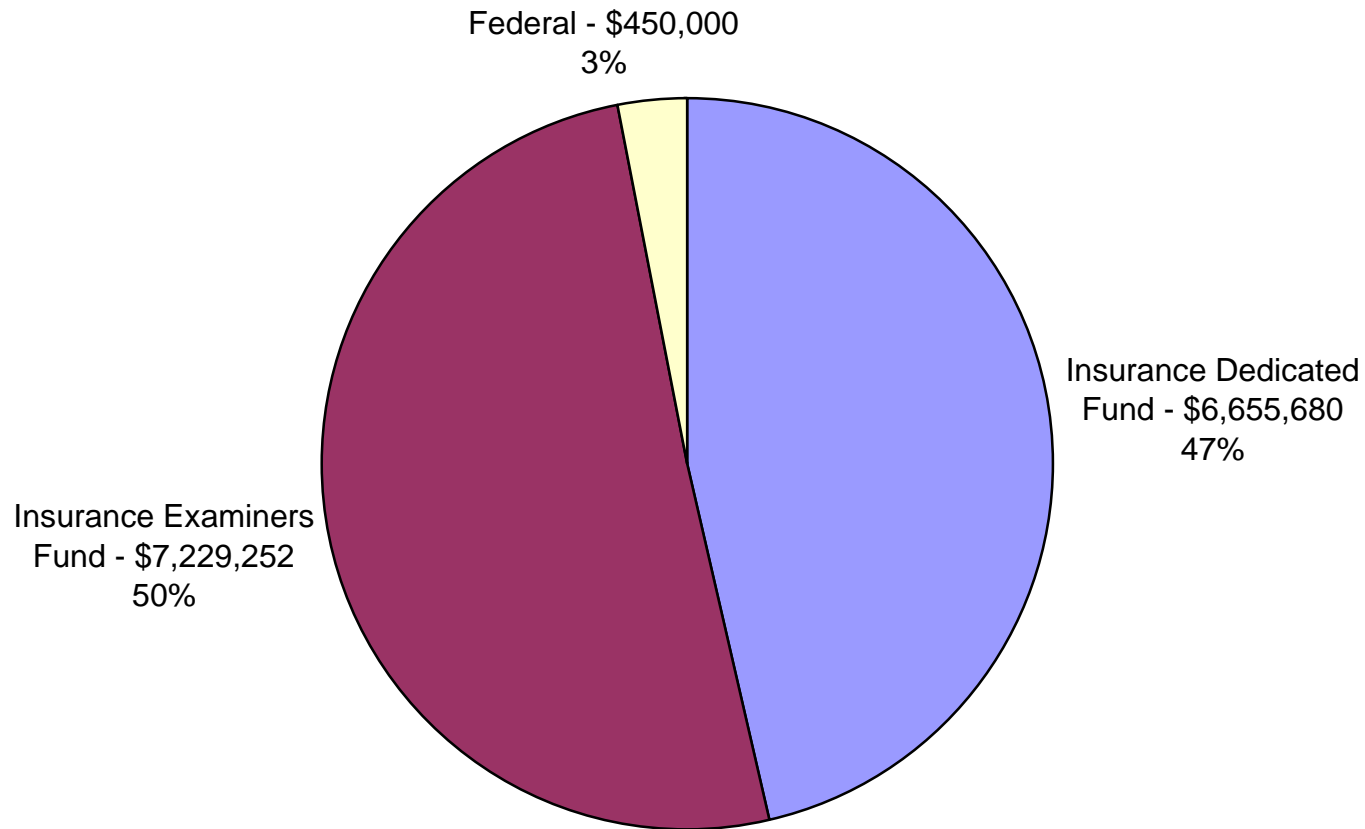
Major Changes

| | |
|-------------|--|
| \$200,000 | Provides for a fund shift from GR to Insurance Dedicated Fund to the CLAIM program |
| (\$370,352) | Provides for a reduction in out-of-state travel and professional development |
| (\$225,600) | Provides for a reduction in 4.00 FTE vacancies |

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FY 2005 Department of Insurance

Sources of Funding: \$14,334,932



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

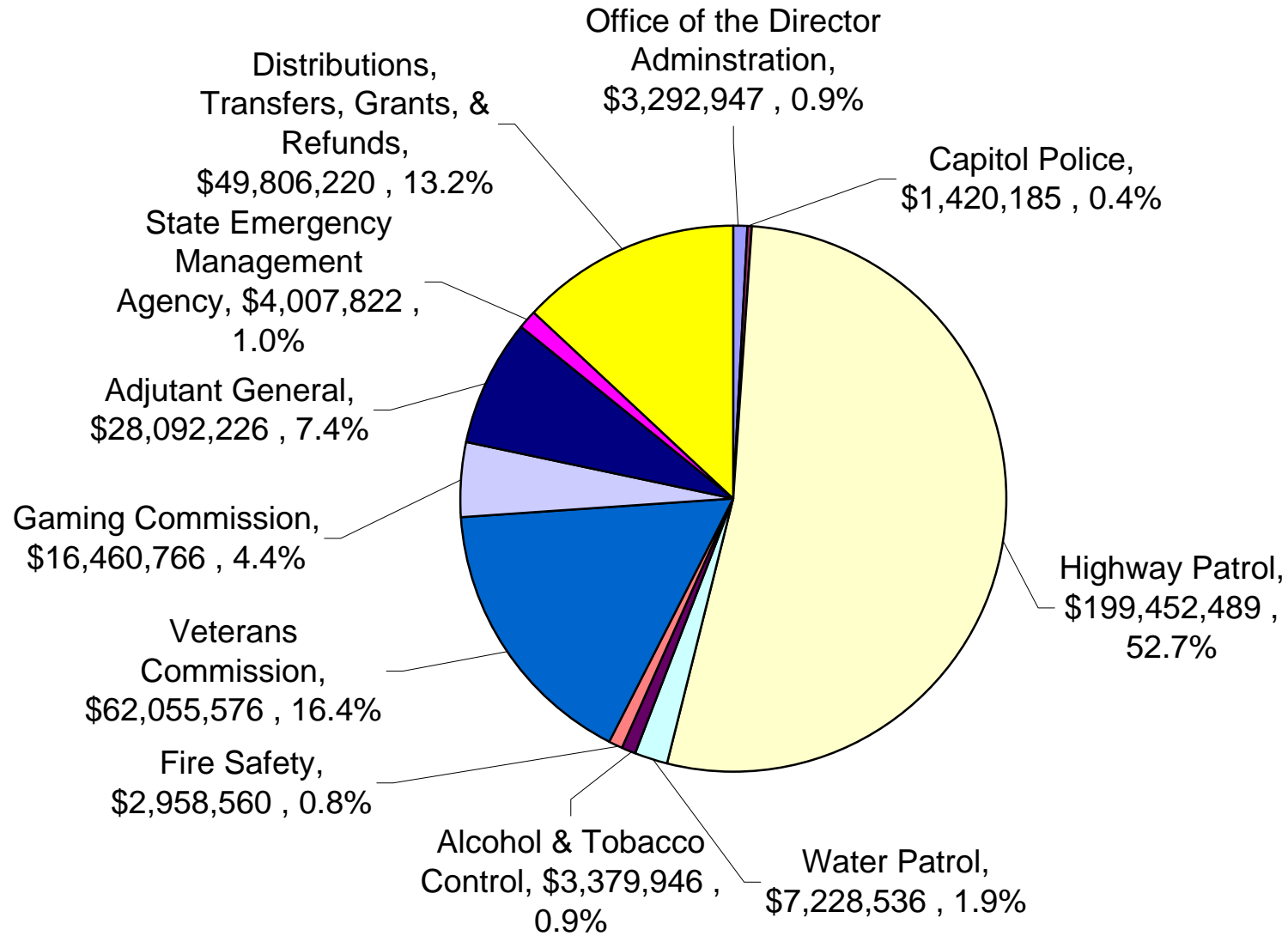
HB 1008 – DEPT. OF PUBLIC SAFETY

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$39,422,758 | \$45,507,763 | 15.4% |
| FED | 87,031,465 | 87,377,775 | 0.4% |
| OTHER | <u>222,769,781</u> | <u>245,269,735</u> | <u>10.1%</u> |
| TOTAL | \$349,224,004 | \$378,155,273 | 8.3% |
| F.T.E. | 4,746.22 | 4,865.36 | 2.5% |

Major Changes

| | |
|-------------|--|
| \$5,105,955 | Provides funding for a Highway Patrol pay plan, including \$391,259 GR |
| \$24,630 | Provides for an additional pay plan for Highway Patrol Communications Staff |
| \$1,166,44 | Provides funding to create an automated palm print database |
| \$319,100 | Provides funding to add 5 criminalists to the Highway Patrol Crime Lab |
| \$1,750,508 | Provides General Revenue funding to add 93 nursing assistants at Veterans' Homes to meet federal standards |

FY 2005 Department of Public Safety \$378,155,273 Million



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1009 – DEPT. OF CORRECTIONS

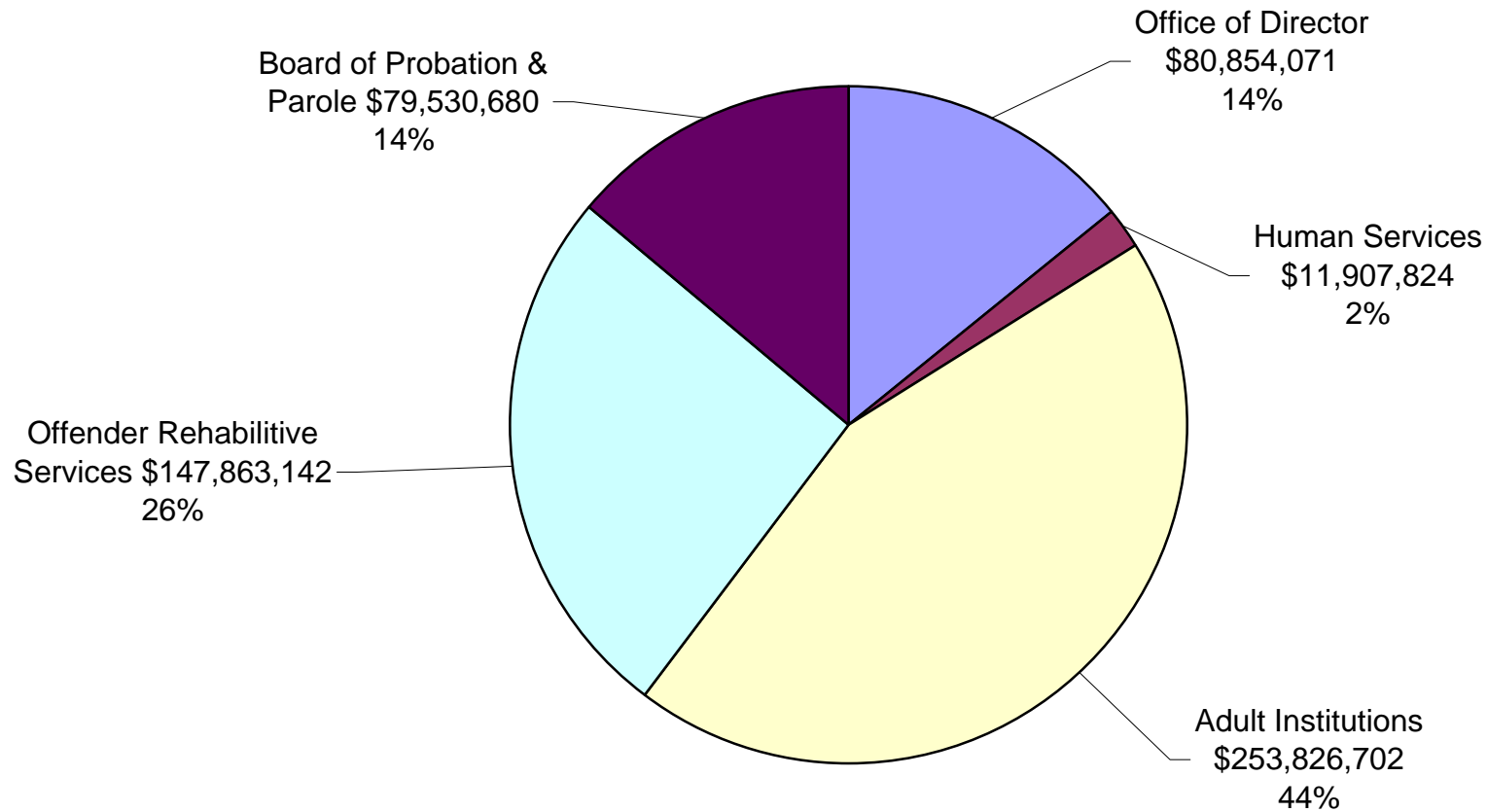
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$522,561,102 | \$523,395,862 | 0.2% |
| FED | 8,972,901 | 7,813,835 | (12.9%) |
| OTHER | <u>42,947,609</u> | <u>42,772,722</u> | <u>(0.4%)</u> |
| TOTAL | \$574,481,612 | \$573,982,419 | (0.1%) |
| F.T.E. | 11,989.89 | 11,706.39 | (2.3%) |

Major Changes

| | |
|---------------|---|
| \$142,856 | Provides for reversing the Governor's closing of the Chillicothe Correctional Center |
| \$121,158 | Provides for a GR match for a federal grant to operate a six-month substance abuse treatment program at Western Reception and Diagnostic Correctional Center |
| \$561,459 | Provides for the costs associated with site security and upkeep at the Missouri State Penitentiary at Jefferson City after prisoners have moved into the new Jefferson City Correctional Center |
| (\$1,725,969) | Provides for a department-wide GR reduction in Personal Service and Expense and Equipment |
| (\$5,531,149) | Provides for a GR reduction to more closely align budgeted salaries to actual salaries |
| (\$5,787,981) | Provides for a GR reduction to reflect a lower population growth trend in the four population driven budget items: medical, institutional expense and equipment, food, and wage and discharge |

FY 2005 Department of Corrections

\$573,982,419



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

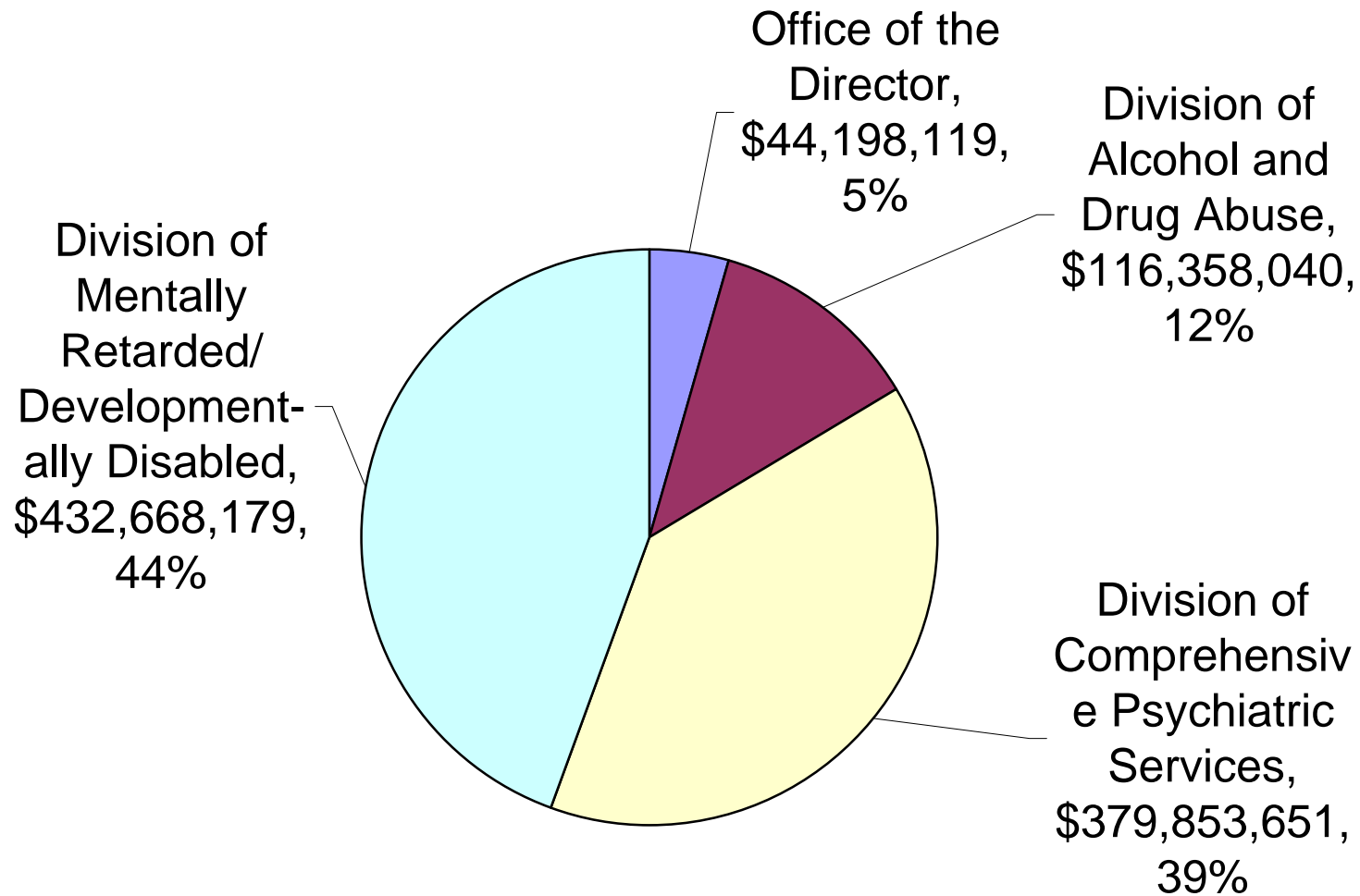
HB 1010 – DEPT. OF MENTAL HEALTH

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$509,586,118 | \$521,575,544 | 2.3% |
| FED | 383,833,022 | 415,464,229 | 8.2% |
| OTHER | <u>35,613,321</u> | <u>36,038,216</u> | <u>1.2%</u> |
| TOTAL | \$929,032,461 | \$973,077,989 | 4.7% |
| F.T.E. | 9,809.48 | 9,378.96 | (4.4%) |

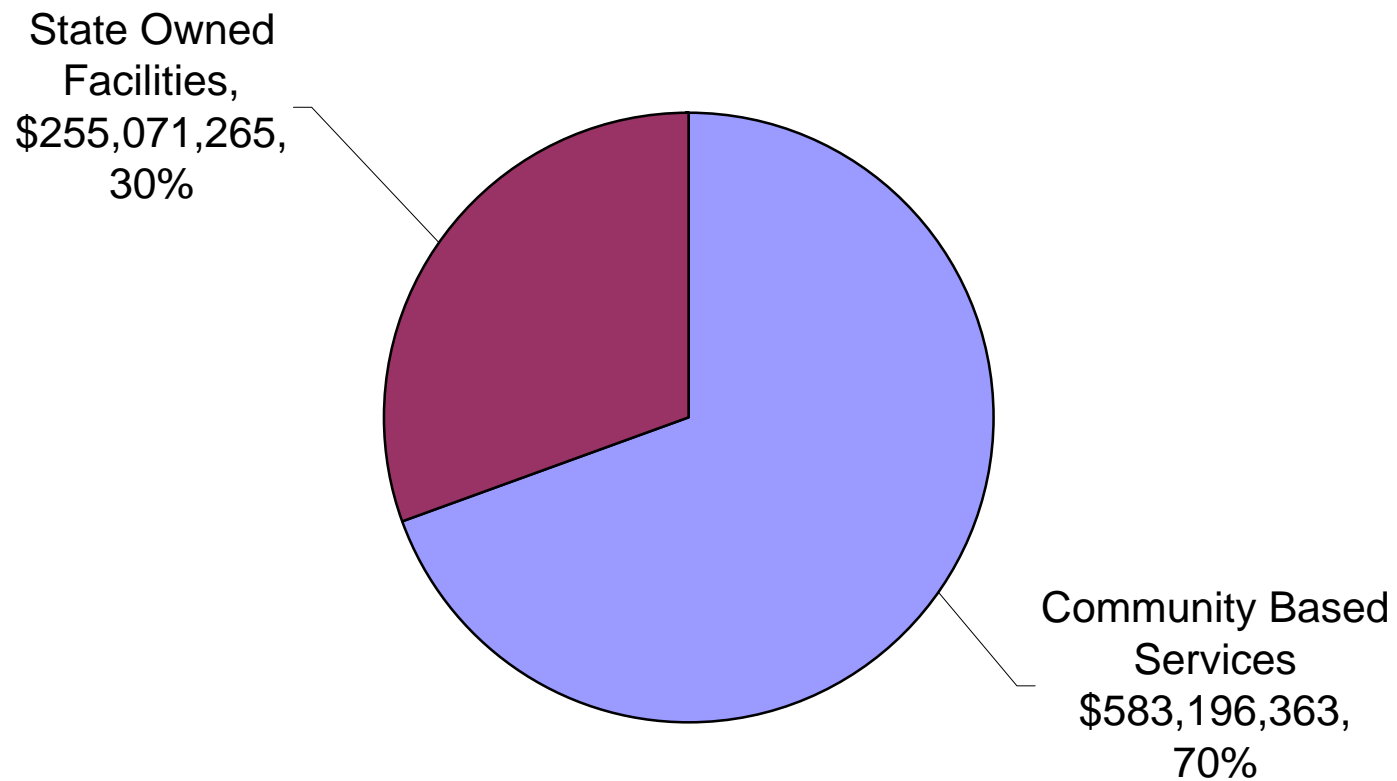
Major Changes

| | |
|---------------|---|
| \$16,775,875 | Provides funding for an increase in Medicaid caseload growth across all divisions (\$6,504,004 GR, \$10,271,871 FED) |
| \$1,220,034 | Provides funding for an additional 17-bed ward in the Sexual Offender Treatment program |
| \$3,969,048 | Provides for the funding to restore previous core reductions for Medicaid co-payments (\$1,538,800 GR, \$2,430,248 FED) |
| \$30,611,891 | Provides for an increase in federal disproportionate share funds transferred to General Revenue |
| \$1,295,672 | Provides for authority for Jackson County COMBAT to receive federal matching Medicaid dollars |
| \$4,960,524 | Provides for federal funding authority to receive two System of Care Grants to develop an integrated community-based system of care for children with severe behavioral disorders |
| \$14,806,203 | Provides for federal authority to receive Access to Recovery three-year grant to increase client choice and increase treatment capacity |
| (\$3,557,211) | Provides for a core reduction of FY 2004 withholdings that were not core reduced in Governor's cycle for FY 2005, includes PS, E&E, facility E&E, Comprehensive Psychiatric Services-Adult Community Treatment and Youth Community Treatment and a reduction for the Washington D.C. office |
| (\$4,148,951) | Provides for a reduction of Personal Service and FTE due to the early retirement legislation |
| (\$280,778) | Provides for a reduction of Expense & Equipment due to Spend Management contract savings |

FY 2005 Department Of Mental Health Funding by Division
\$973,077,989



**FY 2005 Department of Mental Health Treatment Funding by Type
of Service Delivery
\$838,267,628**



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

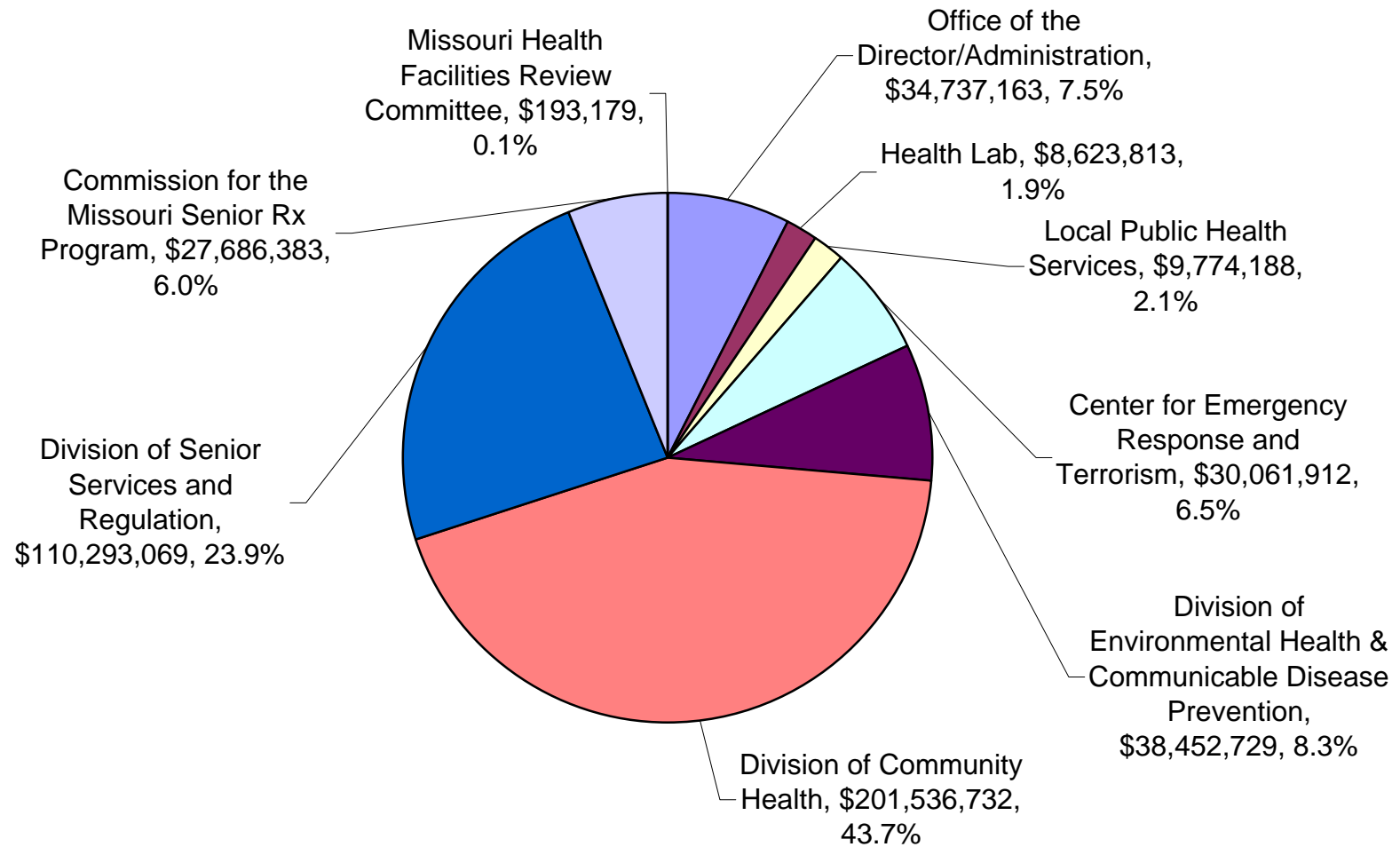
HB 1010 – DEPT. OF HEALTH AND SENIOR SERVICES

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$81,863,107 | \$81,195,589 | (.8%) |
| FED | 318,438,264 | 328,293,614 | 3.1% |
| OTHER | <u>40,700,155</u> | <u>41,040,399</u> | <u>.8%</u> |
| TOTAL | \$441,001,526 | \$450,529,602 | 2.1% |
| F.T.E. | 2,138.42 | 2,143.73 | .2% |

Major Changes

| | |
|-------------|--|
| \$122,356 | Provides for continuation of two satellite labs in Springfield (through contract) and Poplar Bluff |
| \$25,000 | Provides funds for the Silver Haired Legislature |
| \$300,000 | Provides for funding for Nosocomial infection investigations |
| \$85,000 | Provides funds for Pain Management Advisory Council |
| \$4,191,968 | Transferred in from the Department of Social Services, federal Medicaid matching funds |
| \$613,326 | Provides for an increase in federal funds in the Center for Emergency Response and Terrorism |
| \$2,000,000 | Provides for an increase in federal authority to receive Ryan White Title II and AIDS Assistance Program funds |
| \$90,000 | Provides funds for the Teratogen hotline program (MOTIS) |
| (\$24,277) | Provides for a reduction of funding for the Washington D.C. office |
| (\$659,597) | Provides for a reduction of General Revenue Personal Service and FTE due to the early retirement legislation |
| (\$34,913) | Provides for a reduction of Expense & Equipment due to Spend Management contract savings |
| (\$855,082) | Provides for a reduction of 8.31 FTE, \$620,322 PS, and \$234,760 E&E |

**FY 2005 Department of Health and Senior Services
Funding by Division/Major Programs
\$450,529,602**



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1011 – DEPT. OF SOCIAL SERVICES

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$1,203,065,524 | \$1,386,592,216 | 15.3% |
| FED | 4,003,040,350 | 4,357,027,381 | 8.8% |
| OTHER | <u>353,194,192</u> | <u>482,065,704</u> | <u>36.4%</u> |
| TOTAL | \$5,559,300,066 | \$6,225,685,301 | 12.0% |
| F.T.E. | 8,906.22 | 8,589.20 | (3.6%) |

Major Changes

| | |
|---------------|---|
| \$216,249,486 | Provides funding for an increase for Medicaid cost to continue FY 2004 supplemental appropriation |
| \$140,435,951 | Provides funding for an increase for Medicaid caseload growth, (68% related to disabled and adult growth) |
| \$107,100,000 | Provides funding for an increase for the Medicaid pharmacy ingredient cost growth per prescription (Inflation cost projected at 10.5%) |
| \$42,850,501 | Provides funding for an increase for Medicaid managed care providers cost to continue, inflation, and utilization |
| \$42,500,000 | Provides funding for an increase for re-basing for Medicaid nursing home care providers |
| \$31,584,173 | Provides funding for an increase for Medicaid pharmacy utilization (# of prescriptions per recipient) |
| \$22,006,232 | Provides funding to restore previous core reductions for Medicaid co-payments |
| \$13,706,107 | Provides funding for an increase in Medicaid eligibility for the elderly and disabled from 90% to 95% of the Federal Poverty Level (Includes continuation of FY 04 funding at 90% and funding for nine months at 95% FPL) |
| \$8,916,898 | Provides funding for an increase for the change in the Federal Medical Assistance Percentage (FMAP) rate |

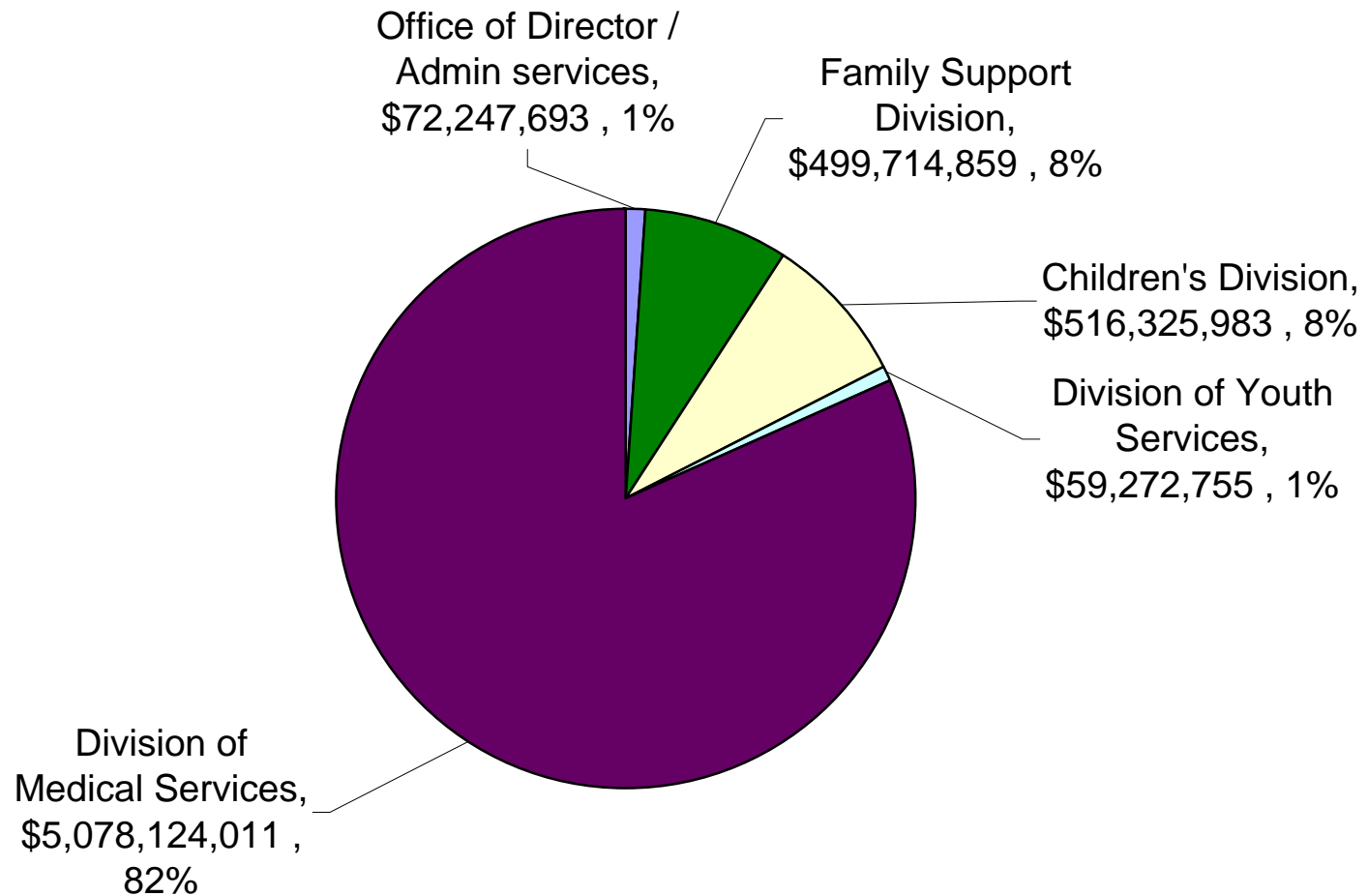
MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1011 – DEPT. OF SOCIAL SERVICES

Major Changes (continued)

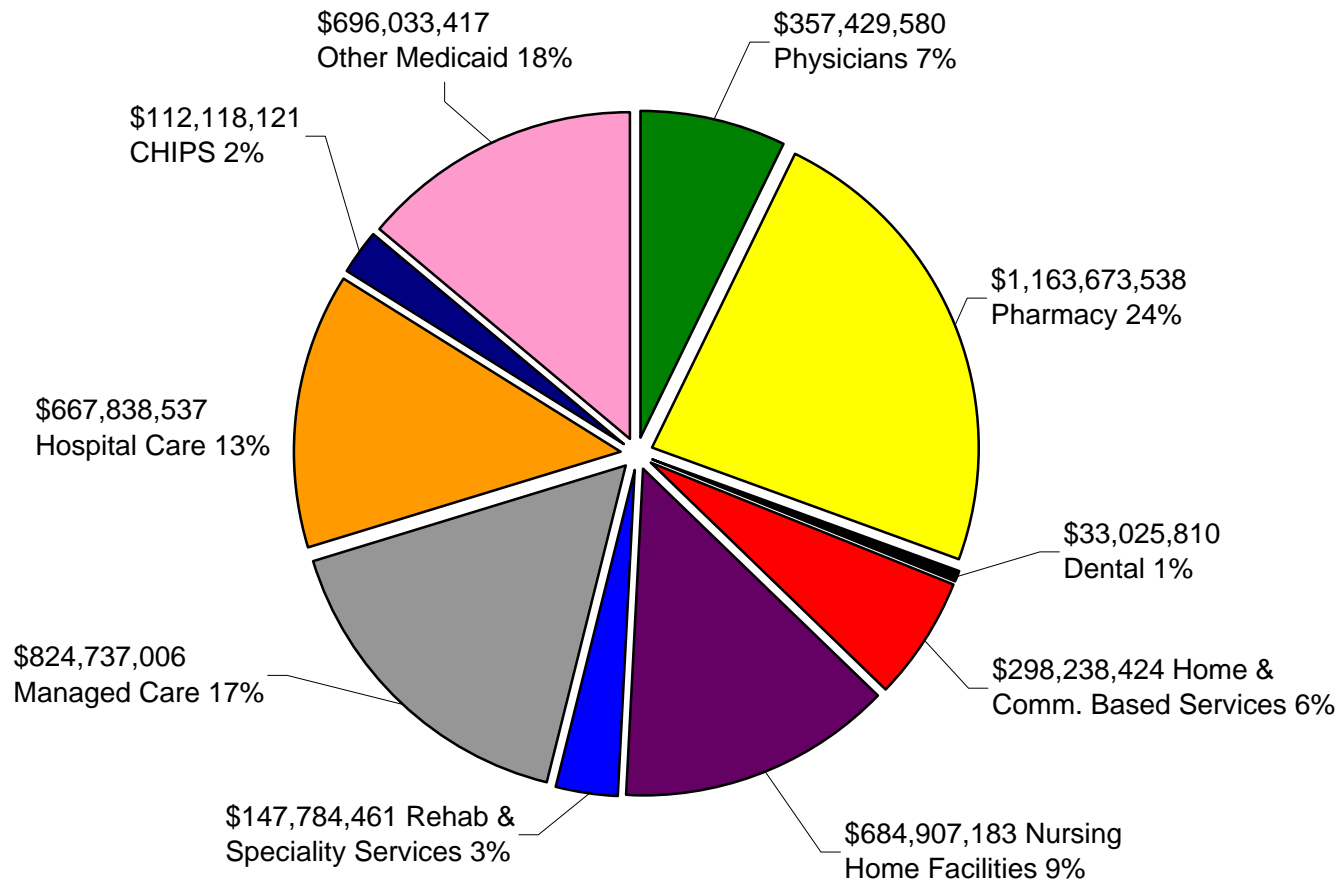
| | |
|----------------|---|
| \$8,048,508 | Provides funding for an increase for Medicaid projected growth in Medicare premium payments |
| (\$10,000,000) | Provides for a core reduction due to increased collections from Third Party Liability recoveries |
| (\$3,984,289) | Provides for a reduction of Personal Service and FTE due to the early retirement legislation |
| (\$2,220,828) | Provides for a core reduction of FY 2004 withholdings that were not core reduced in Governor's cycle for FY 2005, includes PS and E&E |
| (\$1,302,683) | Provides for a core reduction of FY 2004 current vacancies |

FY 2005 Department of Social Services Funding by Division: \$6,225,685,301



FY 2005 Appropriation for Medicaid by Type of Service (All funds)

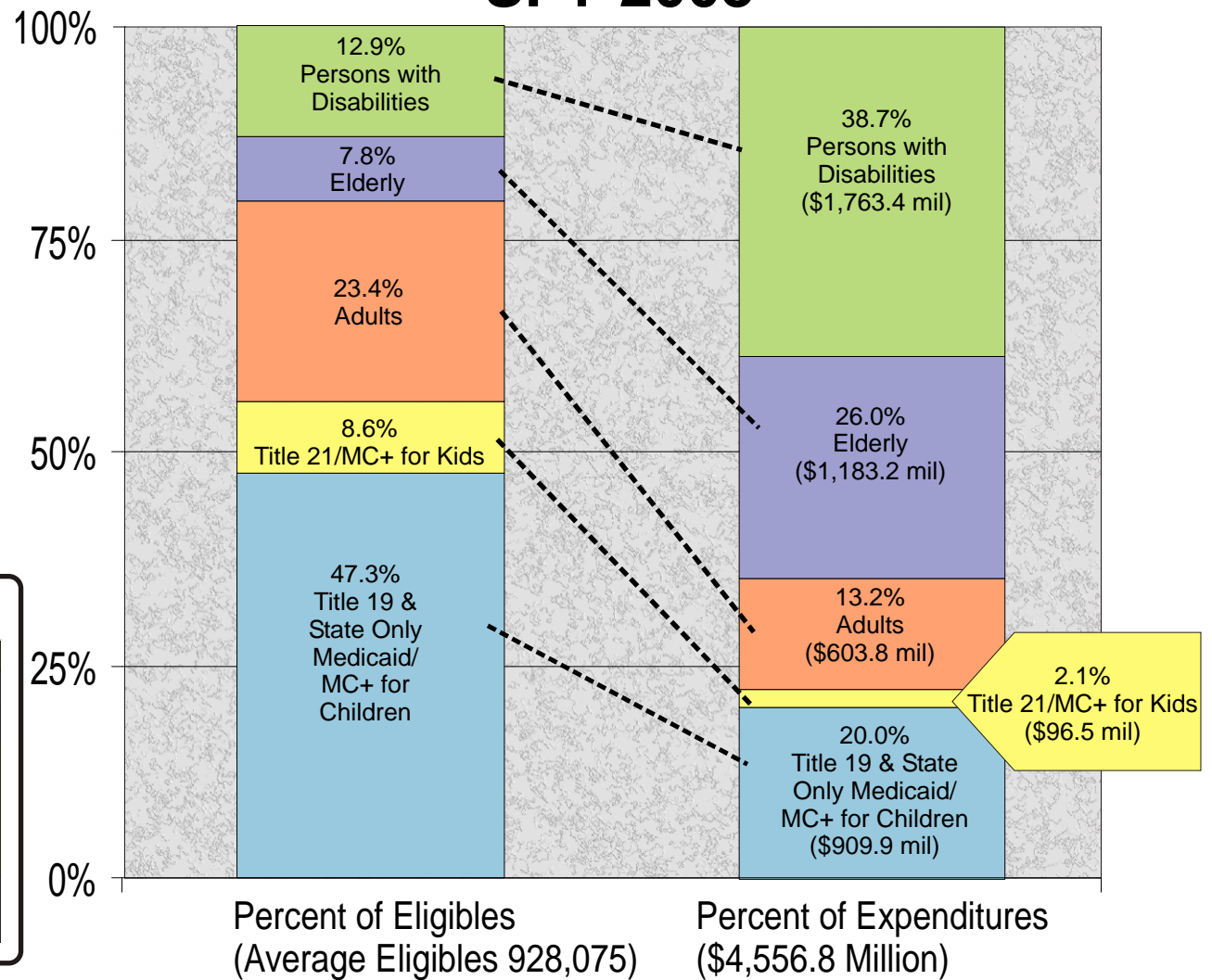
Total \$4,985,786,077



Where do the Medicaid dollars go?

In SFY-2003, the elderly and persons with disabilities comprised 21% of the eligibles, however, they accounted for 65% of Medicaid expenditures.

Medicaid/MC+ SFY-2003



Number of People

| | |
|---------------------------|---------|
| Persons with Disabilities | 119,600 |
| Elderly | 71,929 |
| Adults | 217,076 |
| Title 21/MC+ for Kids | |
| Premium | 1,883* |
| Co-Pay | 15,485 |
| No Cost | 63,067 |
| Title 19 & State Only | 439,035 |
| Medicaid/MC+ for Children | |

*Premium eligibles include only those with paid premiums

**Expenditures are net of premium collections

Notes: Data reflects Department of Social Services, Table 22, Medical Statistics for Fiscal Year 2003 adjusted for MC+ for Kids and certain transfers between adult and children categories. Adults include Qualified Medicare Beneficiaries, Aid to the Blind, Blind Pension, General Relief, Presumptive Eligibility, Medical Assistance for Adults, 1115 Waiver Waiver Adults, Medicaid for Pregnant Women, Medical Assistance for Workers with Disabilities and Refugees

MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1012 –JUDICIARY

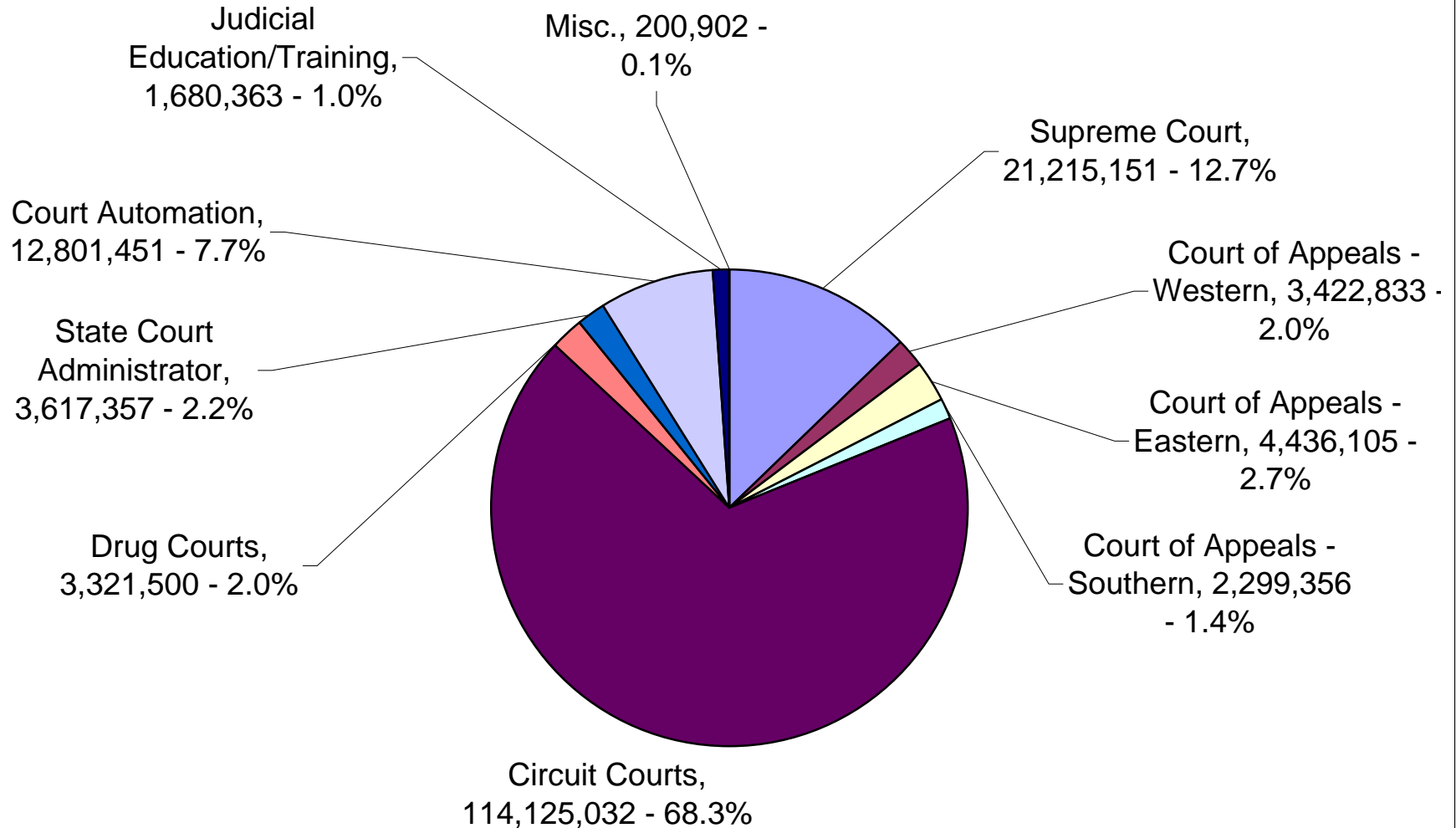
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$137,546,486 | \$140,830,307 | 2.4% |
| FED | 16,869,957 | 17,082,777 | 1.3% |
| OTHER | <u>6,347,831</u> | <u>9,206,966</u> | <u>45.0%</u> |
| TOTAL | \$160,764,274 | \$167,120,050 | 3.9% |
| F.T.E. | 3,399.86 | 3,368.47 | (0.9%) |

Major Changes

| | |
|-------------|--|
| (\$172,701) | Provides for savings through consolidation of collection services |
| (\$101,017) | Provides for savings through privatization of transcription services |
| (\$136,137) | Provides for elimination of dues to the National Center for State Courts |
| \$2,057,366 | Provides for implementation of Basic Civil Legal Services Fund and program |
| \$261,225 | Provides for integrated case management through Court Automation |
| \$40,000 | Provides for a new judgeship in Jefferson County (beginning Feb. 2005) |

FY 2005 JUDICIARY

\$167,120,050



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

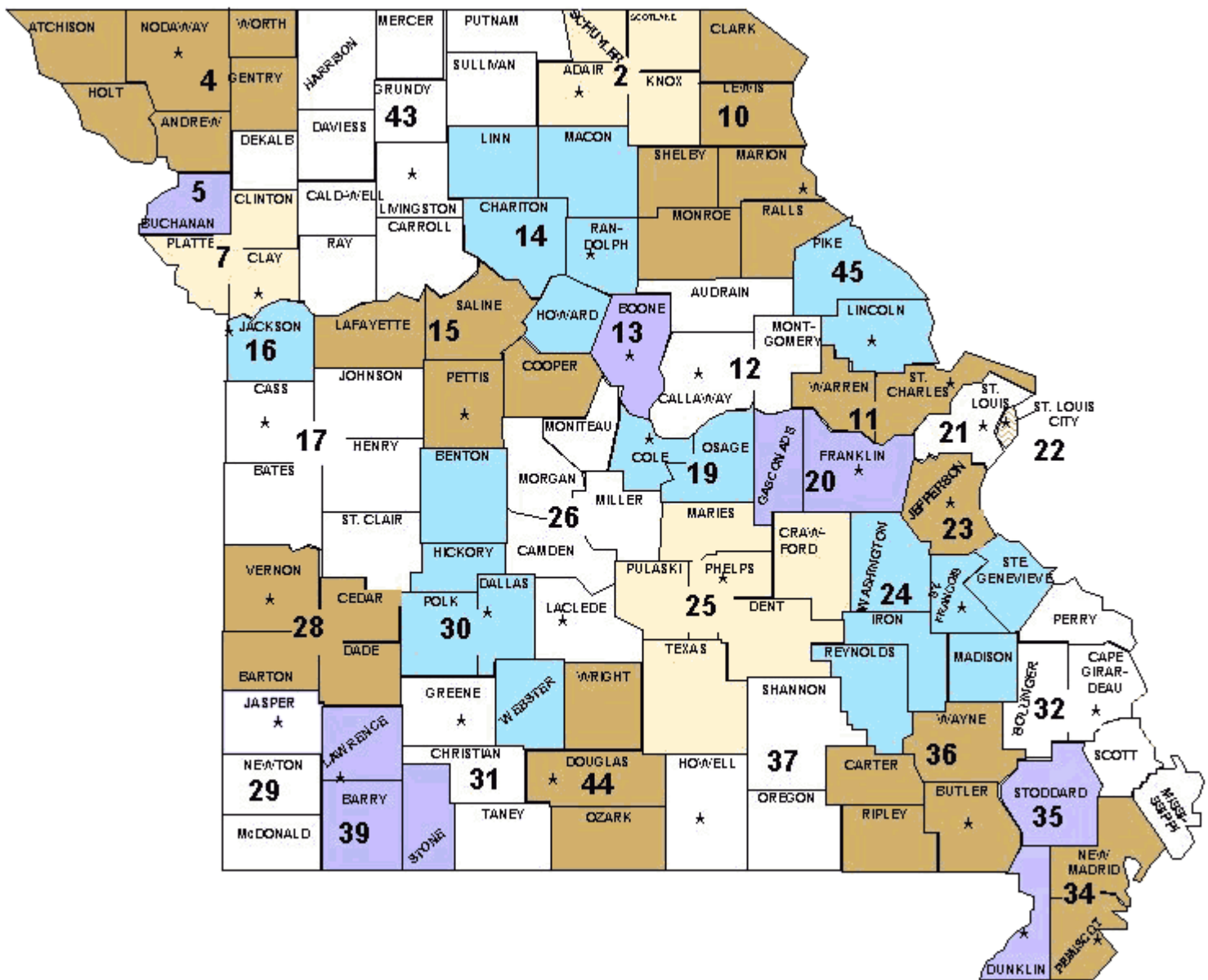
HB 1012 – OFFICE OF THE PUBLIC DEFENDER

| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$28,111,874 | \$28,463,282 | 1.3% |
| FED | 125,000 | 125,000 | 0% |
| OTHER | <u>1,215,734</u> | <u>1,218,134</u> | <u>0.2%</u> |
| TOTAL | \$29,452,608 | \$29,806,416 | 1.2% |
| F.T.E. | 560.13 | 560.13 | 0% |

Major Changes

| | |
|-------------|---|
| (\$318,348) | Provides for a reduction in Extraordinary Expenses/Conflicts of Interest expenses |
|-------------|---|

FY 2005 Public Defender Districts and District Office Locations



Capital and Appellate offices are located in Kansas City, St. Louis, and Columbia.

Youth Advocacy Units are located in St. Louis and Kansas City.

| Location | Area | | | | | | | | |
|-------------|------|----------------|----|----------------|----|----------------|----|-------------|----|
| Kirksville | 02 | Columbia | 13 | Clayton | 21 | Carthage | 29 | West Plains | 37 |
| Maryville | 04 | Moberly | 14 | St. Louis City | 22 | Buffalo | 30 | Monett | 39 |
| St. Joseph | 05 | Sedalia | 15 | Hillsboro | 23 | Springfield | 31 | Chillicothe | 43 |
| Liberty | 07 | Kansas City | 16 | Farmington | 24 | Jackson | 32 | Ava | 44 |
| Hannibal | 10 | Harrisonville | 17 | Rolla | 25 | Caruthersville | 34 | Troy | 45 |
| St. Charles | 11 | Jefferson City | 19 | Lebanon | 26 | Kennett | 35 | | |
| Fulton | 12 | Union | 20 | Nevada | 28 | Poplar Bluff | 36 | | |

MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1012 – STATEWIDE ELECTED OFFICIALS

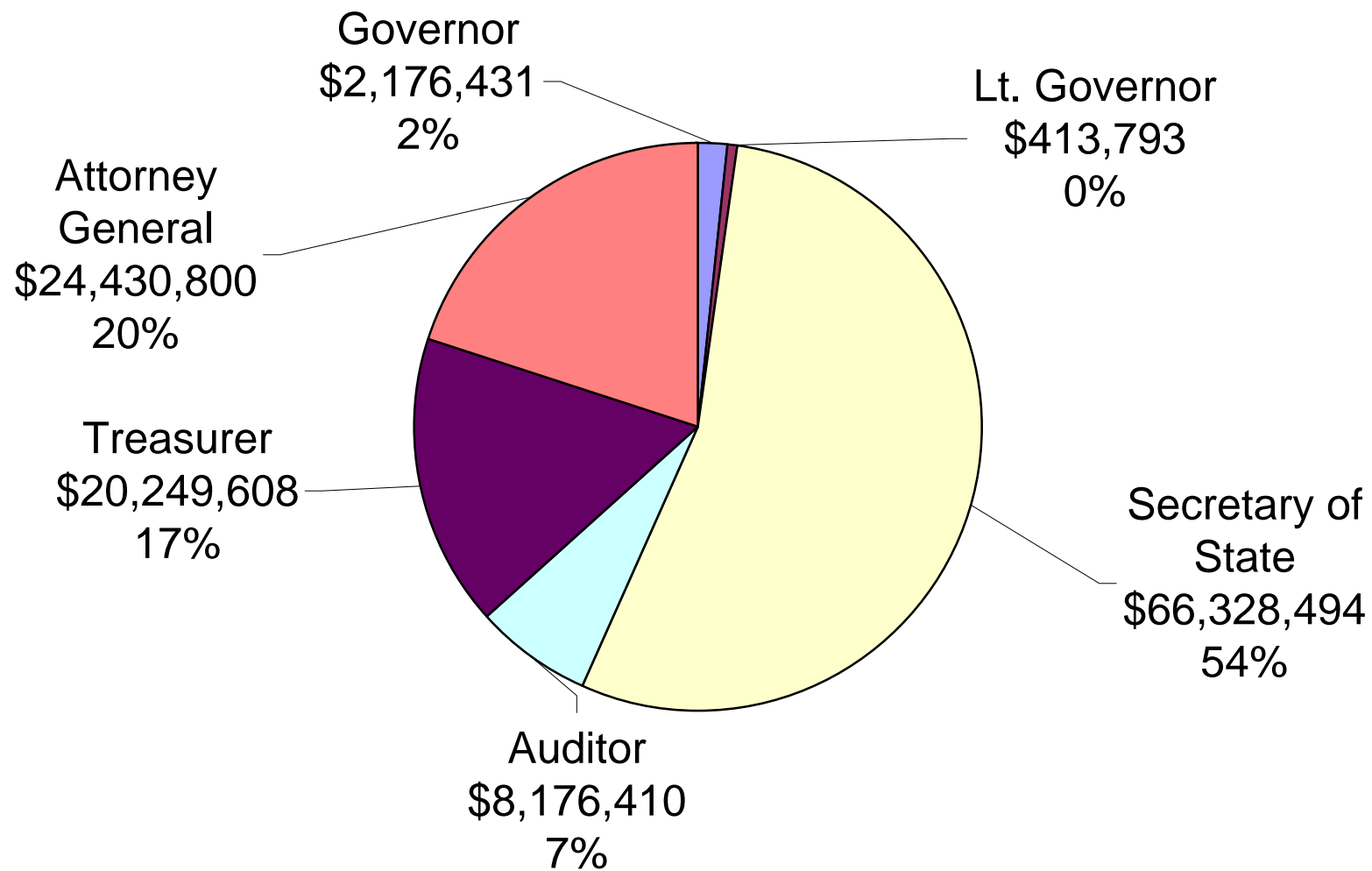
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$41,849,145 | \$42,966,148 | 2.7% |
| FED | 12,829,508 | 36,306,937 | 183% |
| OTHER | <u>29,970,099</u> | <u>42,502,451</u> | <u>41.8%</u> |
| TOTAL | \$84,648,752 | \$121,775,536 | 43.8% |
| F.T.E. | 961.12 | 958.02 | (0.3%) |

Major Changes

| | |
|--------------|--|
| \$1,500,000 | Provides funding for the publication of election notices in local newspapers |
| \$22,232,186 | Provides additional funding for the federal Help America Vote Act of 2002 |
| \$12,000,000 | Provides funding for a records office in St. Louis |
| \$1,250,000 | Provides additional federal funding to public libraries |
| (\$522,276) | Provides for reductions in Personal Service and Expense and Equipment, including the replacement of highway funds in the Auditor's and Treasurer's offices |

FY 2005 Elected Officials

\$121,775,536



MAJOR OPERATING BUDGET CHANGES FOR FY 2005

HB 1012 – GENERAL ASSEMBLY

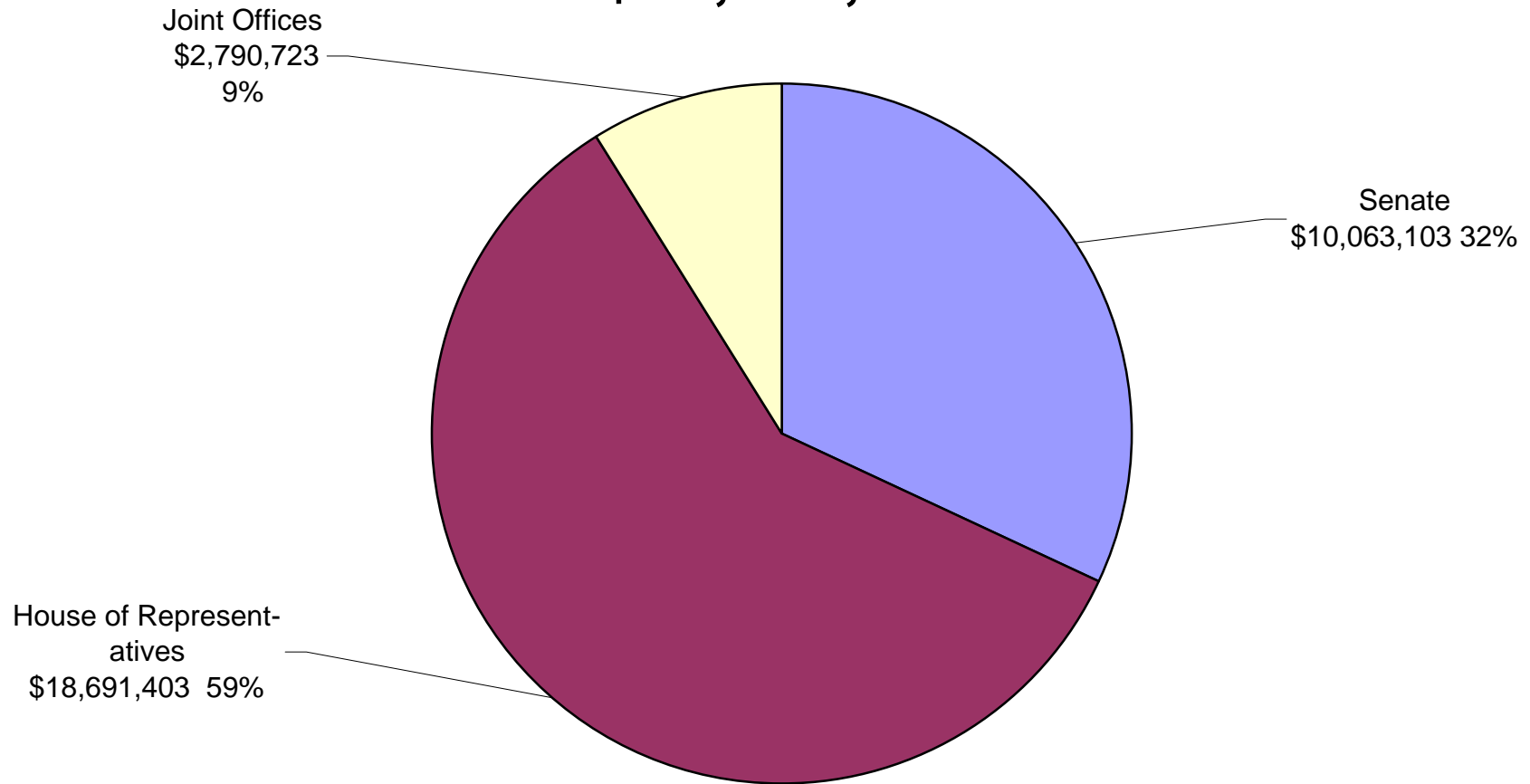
| <u>Fund</u> | <u>FY 2004 Appropriation</u> | <u>FY 2005 Appropriation</u> | <u>Percentage Change</u> |
|-------------|----------------------------------|----------------------------------|------------------------------|
| GR | \$31,255,219 | \$31,352,538 | 0.3% |
| FED | 0 | 0 | 0% |
| OTHER | <u>191,491</u> | <u>192,691</u> | <u>0.6%</u> |
| TOTAL | \$31,446,710 | \$31,545,229 | 0.3% |
| F.T.E. | 729.50 | 722.84 | (0.9%) |

Major Changes

| | |
|------------|---|
| (\$40,000) | Provides for a reduction of funding for National Conference of State Legislatures' dues |
| \$100,853 | Provides funding for two staff for the Joint Committee on Transportation |

FY 2005 General Assembly

\$31,545,229



Section III

MISSOURI STATE FINANCES

MO STATE EXPENDITURES FY 1995 to FY 2004

| DEPARTMENT | FY 1995 | FY 1996 | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Public Debt | | | | | | | | | | |
| GR | 85,152,006 | 83,090,256 | 95,185,127 | 98,464,065 | 98,342,240 | 100,514,395 | 100,246,281 | 98,871,530 | 44,656,216 | 68,827,494 |
| FED | - | - | - | - | - | - | - | - | - | - |
| OTH | 80,894,446 | 87,510,348 | 91,918,181 | 95,251,783 | 103,856,705 | - | - | - | - | 987,647 |
| TOTAL | 166,046,452 | 170,600,604 | 187,103,308 | 193,715,848 | 202,198,945 | 100,514,395 | 100,246,281 | 98,871,530 | 44,656,216 | 69,815,141 |
| DESE | | | | | | | | | | |
| GR | 1,936,000,888 | 1,992,290,538 | 2,105,536,177 | 2,156,948,658 | 2,190,439,705 | 2,246,166,141 | 2,373,336,192 | 2,440,192,352 | 2,323,936,885 | 2,447,249,919 |
| FED | 371,144,241 | 376,679,338 | 400,756,892 | 454,761,523 | 481,345,301 | 533,247,232 | 536,552,395 | 648,557,824 | 725,455,637 | 786,607,097 |
| OTH | 636,502,647 | 678,826,106 | 743,262,730 | 920,334,110 | 966,485,700 | 1,075,782,861 | 1,149,018,443 | 1,174,458,519 | 1,314,484,978 | 1,163,312,699 |
| TOTAL | 2,943,647,776 | 3,047,795,982 | 3,249,555,799 | 3,532,044,291 | 3,638,270,706 | 3,855,196,234 | 4,058,907,030 | 4,263,208,695 | 4,363,877,500 | 4,397,169,715 |
| Higher Education | | | | | | | | | | |
| GR | 611,758,374 | 638,421,627 | 703,848,200 | 728,289,826 | 827,984,646 | 878,432,055 | 925,407,395 | 798,708,350 | 819,136,439 | 815,064,751 |
| FED | 2,549,193 | 2,495,648 | 1,763,036 | 744,180 | 1,189,816 | 1,650,838 | 2,000,327 | 2,742,744 | 3,450,213 | 2,570,995 |
| OTH | 75,641,545 | 128,868,286 | 128,027,393 | 153,663,101 | 130,007,359 | 123,508,218 | 131,538,824 | 144,377,849 | 163,422,403 | 135,883,629 |
| TOTAL | 689,949,112 | 769,785,561 | 833,638,629 | 882,697,107 | 959,181,821 | 1,003,591,111 | 1,058,946,546 | 945,828,943 | 986,009,055 | 953,519,375 |
| Revenue(Net Refunds) | | | | | | | | | | |
| GR | 45,753,515 | 48,092,471 | 59,118,058 | 61,811,490 | 68,116,058 | 78,080,599 | 72,496,737 | 68,850,579 | 66,216,732 | 69,387,674 |
| FED | 408,626 | 258,132 | 242,635 | 212,900 | 42,174 | 44,612 | 151,563 | 89,357 | 836,166 | 5,771,302 |
| OTH | 342,244,227 | 481,626,636 | 518,676,995 | 391,608,625 | 553,190,171 | 335,955,430 | 317,307,045 | 333,721,110 | 352,197,778 | 378,884,088 |
| TOTAL | 388,406,368 | 529,977,239 | 578,037,688 | 453,633,015 | 621,348,403 | 414,080,641 | 389,955,345 | 402,661,046 | 419,250,676 | 454,043,064 |
| Transportation | | | | | | | | | | |
| GR | 4,025,241 | 6,117,866 | 6,741,206 | 10,178,850 | 17,183,769 | 17,303,319 | 16,483,238 | 16,482,799 | 10,385,355 | 11,304,721 |
| FED | 29,223,218 | 23,927,548 | 27,196,797 | 30,352,710 | 31,266,904 | 27,114,584 | 27,917,595 | 22,584,007 | 29,251,978 | 43,116,626 |
| OTH | 1,017,333,584 | 1,030,832,344 | 1,103,181,816 | 1,050,765,480 | 1,140,747,135 | 1,406,380,440 | 1,445,101,154 | 1,755,033,311 | 1,780,374,816 | 1,772,888,104 |
| TOTAL | 1,050,582,043 | 1,060,877,758 | 1,137,119,819 | 1,091,297,040 | 1,189,197,808 | 1,450,798,343 | 1,489,501,987 | 1,794,100,117 | 1,820,012,149 | 1,827,309,451 |
| Office of Admin * | | | | | | | | | | |
| GR | 315,348,232 | 317,080,087 | 363,940,574 | 340,566,948 | 405,610,209 | 424,818,976 | 504,047,658 | 537,111,294 | 136,087,137 | 151,352,958 |
| FED | 55,690,852 | 52,752,349 | 61,057,824 | 62,844,999 | 74,527,565 | 85,379,647 | 100,004,219 | 135,032,446 | 4,602,910 | 4,147,741 |
| OTH | 137,349,404 | 143,075,208 | 84,508,082 | 88,489,293 | 94,968,783 | 91,754,220 | 115,911,958 | 113,137,159 | 37,883,011 | 32,015,575 |
| TOTAL | 508,388,488 | 512,907,644 | 509,506,480 | 491,901,240 | 575,106,557 | 601,952,843 | 719,963,835 | 785,280,899 | 178,573,058 | 187,516,274 |

* - Employee Benefits were broken out into a separate section
in the FY 2005 budget, which includes FY 2003 and FY 2004 actuals.

9/17/2004 Prepared By: Senate Appropriations Staff

MO STATE EXPENDITURES FY 1995 to FY 2004

| DEPARTMENT | FY 1995 | FY 1996 | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Employee Benefits | | | | | | | | | | |
| GR | - | - | - | - | - | - | - | - | 398,562,945 | 424,157,043 |
| FED | - | - | - | - | - | - | - | - | 103,166,248 | 106,421,828 |
| OTH | - | - | - | - | - | - | - | - | 101,673,617 | 106,800,434 |
| TOTAL | - | - | - | - | - | - | - | - | 603,402,810 | 637,379,305 |
| Agriculture | | | | | | | | | | |
| GR | 9,182,546 | 9,426,728 | 11,703,040 | 11,132,278 | 12,756,376 | 13,820,692 | 13,346,489 | 12,832,632 | 13,139,227 | 12,968,647 |
| FED | 366,436 | 374,159 | 448,021 | 542,779 | 541,203 | 474,566 | 799,298 | 912,034 | 1,367,803 | 2,107,012 |
| OTH | 18,003,219 | 17,874,499 | 19,145,705 | 18,499,670 | 7,926,854 | 9,057,909 | 9,159,086 | 11,589,032 | 10,585,908 | 10,619,032 |
| TOTAL | 27,552,201 | 27,675,386 | 31,296,766 | 30,174,727 | 21,224,433 | 23,353,167 | 23,304,873 | 25,333,698 | 25,092,938 | 25,694,691 |
| Natural Resources | | | | | | | | | | |
| GR | 8,629,546 | 9,284,440 | 9,611,905 | 11,149,001 | 15,760,497 | 14,944,846 | 17,848,487 | 12,200,719 | 10,530,395 | 8,595,916 |
| FED | 24,469,234 | 22,929,017 | 20,030,525 | 22,952,737 | 21,589,657 | 23,866,708 | 25,360,220 | 30,329,285 | 31,802,494 | 31,827,742 |
| OTH | 124,748,083 | 163,107,824 | 95,616,121 | 160,436,800 | 181,899,463 | 116,436,646 | 113,959,498 | 122,041,229 | 121,582,383 | 155,985,145 |
| TOTAL | 157,846,863 | 195,321,281 | 125,258,551 | 194,538,538 | 219,249,617 | 155,248,200 | 157,168,205 | 164,571,233 | 163,915,272 | 196,408,803 |
| Conservation | | | | | | | | | | |
| GR | - | - | - | - | - | - | - | - | - | - |
| FED | - | - | - | - | - | - | - | - | - | - |
| OTH | 78,951,575 | 88,520,401 | 100,089,573 | 89,381,173 | 84,090,047 | 107,891,479 | 110,625,250 | 109,881,228 | 114,705,274 | 121,157,301 |
| TOTAL | 78,951,575 | 88,520,401 | 100,089,573 | 89,381,173 | 84,090,047 | 107,891,479 | 110,625,250 | 109,881,228 | 114,705,274 | 121,157,301 |
| Economic Dev | | | | | | | | | | |
| GR | 25,286,249 | 27,241,235 | 18,489,067 | 18,394,531 | 63,459,407 | 61,197,849 | 63,834,967 | 41,533,514 | 38,480,160 | 37,004,001 |
| FED | 139,539,226 | 108,464,256 | 89,385,862 | 78,225,817 | 88,267,493 | 117,216,848 | 103,517,728 | 121,262,370 | 112,649,078 | 128,514,544 |
| OTH | 50,871,737 | 54,184,278 | 69,945,743 | 73,718,134 | 83,041,375 | 57,408,692 | 52,260,744 | 52,876,917 | 51,007,757 | 48,125,571 |
| TOTAL | 215,697,212 | 189,889,769 | 177,820,672 | 170,338,482 | 234,768,275 | 235,823,389 | 219,613,439 | 215,672,801 | 202,136,995 | 213,644,116 |
| Insurance | | | | | | | | | | |
| GR | - | - | - | - | - | - | - | - | - | - |
| FED | 171,904 | 191,678 | 210,592 | 188,056 | 406,906 | 166,306 | 357,316 | 400,000 | 312,958 | 272,210 |
| OTH | 10,491,761 | 10,082,762 | 11,060,370 | 11,255,263 | 11,749,846 | 11,965,896 | 12,070,445 | 12,678,606 | 12,569,585 | 11,984,680 |
| TOTAL | 10,663,665 | 10,274,440 | 11,270,962 | 11,443,319 | 12,156,752 | 12,132,202 | 12,427,761 | 13,078,606 | 12,882,543 | 12,256,890 |

* - Employee Benefits were broken out into a separate section
in the FY 2005 budget, which includes FY 2003 and FY 2004 actuals.

9/17/2004 Prepared By: Senate Appropriations Staff

MO STATE EXPENDITURES FY 1995 to FY 2004

| DEPARTMENT | FY 1995 | FY 1996 | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Labor | | | | | | | | | | |
| GR | 2,560,111 | 3,209,391 | 3,711,741 | 4,544,751 | 4,845,721 | 4,333,155 | 4,927,603 | 3,805,756 | 3,516,405 | 2,958,825 |
| FED | 85,374,892 | 74,498,850 | 75,646,663 | 67,106,526 | 64,238,619 | 45,286,517 | 45,661,804 | 50,178,908 | 40,184,791 | 42,273,080 |
| OTH | 40,260,813 | 32,484,683 | 40,181,675 | 41,880,521 | 44,018,179 | 44,119,602 | 53,371,955 | 65,692,539 | 71,586,562 | 83,821,878 |
| TOTAL | 128,195,816 | 110,192,924 | 119,540,079 | 113,531,798 | 113,102,519 | 93,739,274 | 103,961,362 | 119,677,203 | 115,287,758 | 129,053,783 |
| Public Safety | | | | | | | | | | |
| GR | 27,133,523 | 33,253,449 | 40,971,204 | 43,139,419 | 45,285,381 | 47,248,297 | 48,871,907 | 42,235,016 | 43,899,204 | 42,252,445 |
| FED | 29,416,970 | 30,425,253 | 34,054,395 | 43,810,177 | 59,803,891 | 56,710,959 | 57,710,500 | 82,496,343 | 130,897,118 | 98,628,735 |
| OTH | 152,562,830 | 165,223,202 | 153,483,428 | 151,600,340 | 145,980,885 | 159,110,000 | 178,751,849 | 194,898,678 | 184,485,866 | 197,435,108 |
| TOTAL | 209,113,323 | 228,901,904 | 228,509,027 | 238,549,936 | 251,070,157 | 263,069,256 | 285,334,256 | 319,630,037 | 359,282,188 | 338,316,288 |
| Corrections | | | | | | | | | | |
| GR | 207,289,483 | 248,728,190 | 296,860,239 | 365,371,981 | 385,215,588 | 417,873,544 | 419,775,315 | 460,224,624 | 480,879,881 | 492,485,349 |
| FED | 2,175,520 | 1,639,350 | 2,204,143 | 3,242,900 | 2,928,196 | 3,741,687 | 4,434,593 | 6,724,334 | 4,519,330 | 4,784,942 |
| OTH | 21,312,086 | 22,399,223 | 27,639,491 | 36,475,829 | 33,414,850 | 29,359,391 | 30,919,178 | 25,212,615 | 31,046,560 | 30,671,383 |
| TOTAL | 230,777,089 | 272,766,763 | 326,703,873 | 405,090,710 | 421,558,634 | 450,974,622 | 455,129,086 | 492,161,573 | 516,445,771 | 527,941,674 |
| Mental Health | | | | | | | | | | |
| GR | 392,117,504 | 410,598,490 | 440,049,132 | 459,087,852 | 488,373,633 | 513,321,021 | 529,475,432 | 534,022,440 | 505,786,104 | 502,633,401 |
| FED | 38,987,217 | 38,756,197 | 38,510,934 | 37,841,322 | 75,468,915 | 79,190,395 | 78,366,142 | 88,000,066 | 101,986,367 | 323,198,393 |
| OTH | 42,698,205 | 64,285,419 | 57,738,343 | 47,418,070 | 17,130,900 | 22,262,651 | 19,662,106 | 22,179,561 | 35,398,047 | 31,975,608 |
| TOTAL | 473,802,926 | 513,640,106 | 536,298,409 | 544,347,244 | 580,973,448 | 614,774,067 | 627,503,680 | 644,202,067 | 643,170,518 | 857,807,402 |
| Health | | | | | | | | | | |
| GR | 40,326,708 | 35,180,856 | 44,352,671 | 48,219,035 | 54,227,423 | 56,769,181 | 92,030,539 | 86,776,357 | 79,042,857 | 72,120,587 |
| FED | 164,928,058 | 170,192,970 | 169,780,195 | 171,067,288 | 185,096,244 | 179,995,574 | 231,519,879 | 247,408,847 | 259,181,362 | 276,725,979 |
| OTH | 18,138,169 | 8,965,977 | 11,243,393 | 12,412,842 | 12,981,778 | 13,085,818 | 15,407,000 | 17,610,959 | 28,748,897 | 33,482,411 |
| TOTAL | 223,392,935 | 214,339,803 | 225,376,259 | 231,699,165 | 252,305,445 | 249,850,573 | 338,957,418 | 351,796,163 | 366,973,116 | 382,328,977 |
| Social Services | | | | | | | | | | |
| GR | 722,012,913 | 776,178,746 | 854,589,654 | 892,082,416 | 1,006,949,861 | 1,093,382,032 | 1,076,524,476 | 1,170,247,366 | 1,106,405,491 | 1,205,302,334 |
| FED | 1,834,205,402 | 1,783,705,389 | 2,102,141,103 | 2,323,464,045 | 2,754,737,817 | 3,219,014,206 | 3,436,133,135 | 3,790,476,524 | 4,038,881,105 | 4,020,462,595 |
| OTH | 481,379,778 | 542,552,061 | 275,627,849 | 466,866,662 | 491,056,932 | 220,476,396 | 408,030,999 | 593,695,913 | 504,009,545 | 435,263,276 |
| TOTAL | 3,037,598,093 | 3,102,436,196 | 3,232,358,606 | 3,682,413,123 | 4,252,744,610 | 4,532,872,634 | 4,920,688,610 | 5,554,419,803 | 5,649,296,141 | 5,661,028,205 |

* - Employee Benefits were broken out into a separate section
in the FY 2005 budget, which includes FY 2003 and FY 2004 actuals.

9/17/2004 Prepared By: Senate Appropriations Staff

MO STATE EXPENDITURES FY 1995 to FY 2004

| DEPARTMENT | FY 1995 | FY 1996 | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Elected Officials | | | | | | | | | | |
| GR | 33,576,874 | 34,578,445 | 33,808,028 | 19,957,453 | 42,325,304 | 43,409,634 | 45,530,594 | 42,284,419 | 42,611,552 | 40,522,104 |
| FED | 4,934,816 | 2,900,721 | 5,553,561 | 997,922 | 3,211,405 | 3,804,013 | 3,660,740 | 4,145,744 | 4,560,587 | 5,381,990 |
| OTH | 8,209,211 | 12,087,091 | 11,171,475 | 8,864,623 | 13,079,886 | 15,785,640 | 20,370,519 | 24,895,222 | 27,579,683 | 30,216,809 |
| TOTAL | 46,720,901 | 49,566,257 | 50,533,064 | 29,819,998 | 58,616,595 | 62,999,287 | 69,561,853 | 71,325,385 | 74,751,822 | 76,120,903 |
| Judiciary | | | | | | | | | | |
| GR | 79,307,485 | 83,215,732 | 88,991,143 | 94,248,289 | 106,292,792 | 130,888,089 | 143,690,464 | 140,517,393 | 139,003,782 | 136,982,040 |
| FED | 894,763 | 2,209,798 | 2,734,444 | 3,543,742 | 6,227,168 | 6,731,717 | 5,217,333 | 3,660,881 | 4,950,075 | 6,186,858 |
| OTH | 172,580 | 3,053,119 | 5,684,970 | 3,998,578 | 6,827,599 | 5,255,718 | 2,955,854 | 5,195,533 | 5,122,784 | 5,740,709 |
| TOTAL | 80,374,828 | 88,478,649 | 97,410,557 | 101,790,609 | 119,347,559 | 142,875,524 | 151,863,651 | 149,373,807 | 149,076,641 | 148,909,607 |
| Public Defender | | | | | | | | | | |
| GR | 16,098,033 | 17,898,469 | 20,829,738 | 21,320,420 | 24,105,873 | 27,039,675 | 26,920,525 | 28,503,733 | 28,837,478 | 27,818,869 |
| FED | 279,028 | 80,589 | 87,349 | 32,393 | - | - | - | - | - | - |
| OTH | 449,839 | 982,380 | 686,077 | 817,192 | 1,385,415 | 696,500 | 1,129,452 | 752,435 | 1,193,698 | 1,141,187 |
| TOTAL | 16,826,900 | 18,961,438 | 21,603,164 | 22,170,005 | 25,491,288 | 27,736,175 | 28,049,977 | 29,256,168 | 30,031,176 | 28,960,056 |
| General Assembly | | | | | | | | | | |
| GR | 22,632,551 | 24,041,875 | 25,564,045 | 26,334,613 | 28,311,562 | 30,023,991 | 32,457,072 | 31,218,745 | 30,933,643 | 29,444,024 |
| FED | - | - | - | - | - | - | - | - | - | - |
| OTH | 245,151 | 641,460 | 332,159 | 242,373 | 222,160 | 269,705 | 210,929 | 129,984 | 52,716 | 86,281 |
| TOTAL | 22,877,702 | 24,683,335 | 25,896,204 | 26,576,986 | 28,533,722 | 30,293,696 | 32,668,001 | 31,348,729 | 30,986,359 | 29,530,305 |
| Statewide Leasing | | | | | | | | | | |
| GR | 11,201,454 | 12,467,889 | 16,782,196 | 17,775,009 | 18,928,407 | 20,930,676 | 22,953,326 | 23,308,688 | 27,135,310 | 25,084,261 |
| FED | 11,999,254 | 12,726,679 | 12,002,171 | 11,771,758 | 11,647,292 | 12,621,257 | 13,326,581 | 14,030,835 | 13,595,954 | 13,043,365 |
| OTH | 3,910,539 | 4,049,875 | 4,743,094 | 4,659,947 | 6,853,043 | 4,214,902 | 5,183,930 | 5,336,171 | 5,533,626 | 5,268,817 |
| TOTAL | 27,111,247 | 29,244,443 | 33,527,461 | 34,206,714 | 37,428,742 | 37,766,835 | 41,463,837 | 42,675,694 | 46,264,890 | 43,396,443 |
| Total Operating | | | | | | | | | | |
| GR | 4,595,393,236 | 4,810,396,780 | 5,240,683,145 | 5,429,016,885 | 5,904,514,452 | 6,220,498,167 | 6,530,204,697 | 6,589,928,306 | 6,349,183,198 | 6,623,517,363 |
| FED | 2,796,758,850 | 2,705,207,921 | 3,043,807,142 | 3,313,703,774 | 3,862,536,566 | 4,396,257,666 | 4,672,691,368 | 5,249,032,549 | 5,611,652,174 | 5,902,043,034 |
| OTH | 3,342,371,429 | 3,741,233,182 | 3,553,964,663 | 3,828,640,409 | 4,130,915,065 | 3,850,778,114 | 4,192,946,218 | 4,785,394,570 | 4,955,245,494 | 4,793,747,372 |
| TOTAL | 10,734,523,515 | 11,256,837,883 | 11,838,454,950 | 12,571,361,068 | 13,897,966,083 | 14,467,533,947 | 15,395,842,283 | 16,624,355,425 | 16,916,080,866 | 17,319,307,769 |

* - Employee Benefits were broken out into a separate section
in the FY 2005 budget, which includes FY 2003 and FY 2004 actuals.

9/17/2004 Prepared By: Senate Appropriations Staff

MISSOURI STATE CAPITAL IMPROVEMENTS APPROPRIATIONS HISTORY: FY 1979 - FY 2005

| Appropriation for Maintenance & New Construction | | | | | Maintenance by Fund Source | | | | New Construction by Fund Source | | | |
|--|----------------------|------------------|-----------------------|------------------------|----------------------------|---------------------------|----------------------------|------------|---------------------------------|---------------------------|----------------------------|-------------|
| Fiscal Year | Maintenance & Repair | New Construction | ADA* Capital Improve. | Total Capital Improve. | General Revenue | Third State Building Fund | Fourth State Building Fund | Other | General Revenue | Third State Building Fund | Fourth State Building Fund | Other |
| 1979 | 15,538,125 | 76,579,632 | n/a | 92,117,757 | 0 | 0 | n/a | 15,538,125 | (81,672,696) | 0 | n/a | 158,252,328 |
| 1980 ¹ | 17,606,024 | 85,285,841 | n/a | 102,891,865 | 0 | 0 | n/a | 17,606,024 | (92,446,804) | 0 | n/a | 177,732,645 |
| 1981 | 22,024,178 | 125,489,921 | n/a | 147,514,099 | 18,260,317 | 0 | n/a | 3,763,861 | (137,069,038) | 0 | n/a | 262,558,959 |
| 1982 | 11,555,707 | 34,735,838 | n/a | 46,291,545 | 4,961,672 | 0 | n/a | 6,594,035 | (35,846,484) | 0 | n/a | 70,582,322 |
| 1983 ² | 44,659,002 | 100,370,242 | n/a | 145,029,244 | 15,355,252 | 27,000,000 | n/a | 2,303,750 | (134,584,183) | 48,000,000 | n/a | 186,954,425 |
| 1984 ³ | 42,500,000 | 37,461,900 | n/a | 79,961,900 | 0 | 42,500,000 | n/a | 0 | (69,516,839) | 7,500,000 | n/a | 99,478,739 |
| 1985 | 34,000,000 | 170,941,858 | n/a | 204,941,858 | 0 | 34,000,000 | n/a | 0 | (194,496,797) | 41,000,000 | n/a | 324,438,655 |
| 1986 | 80,031,920 | 464,859,605 | n/a | 544,891,525 | 0 | 80,000,000 | n/a | 31,920 | (534,446,464) | 320,000,000 | n/a | 679,306,069 |
| 1987 | 32,420,658 | 93,887,074 | n/a | 126,307,732 | 29,040,358 | 650,000 | n/a | 2,730,300 | 26,946,874 | 0 | n/a | 66,940,200 |
| 1988 | 36,762,491 | 74,438,519 | n/a | 111,201,010 | 3,201,891 | 29,750,000 | n/a | 3,810,600 | 12,184,480 | 5,250,000 | n/a | 57,004,039 |
| 1989 | 25,029,217 | 98,045,830 | n/a | 123,075,047 | 7,271,317 | 11,050,000 | n/a | 6,707,900 | 30,411,575 | 0 | n/a | 67,634,255 |
| 1990 | 25,438,134 | 75,556,935 | n/a | 100,995,069 | 13,360,320 | 8,095,900 | n/a | 3,981,914 | 12,410,583 | 3,863,776 | n/a | 59,282,576 |
| 1991 | 20,559,118 | 51,615,393 | n/a | 72,174,511 | 8,783,287 | 9,174,488 | n/a | 2,601,343 | 2,613,165 | 4,029,944 | n/a | 44,972,284 |
| 1992 | 6,077,412 | 51,026,239 | n/a | 57,103,651 | 102,000 | 4,278,421 | n/a | 1,696,991 | 5,842,469 | 1,678,665 | n/a | 43,505,105 |
| 1993 | 13,451,045 | 101,518,881 | n/a | 114,969,926 | 7,223,888 | 1,487,500 | n/a | 4,739,657 | 56,772,257 | 262,500 | n/a | 44,484,124 |
| 1994 | 15,105,914 | 69,432,398 | 38,507,704 | 123,046,016 | 5,323,903 | 0 | n/a | 9,782,011 | 17,790,470 | 0 | n/a | 51,641,928 |
| 1995 | 21,062,406 | 391,155,679 | n/a | 412,218,085 | 13,486,681 | 1,004,084 | n/a | 6,571,641 | 6,243,178 | 994,836 | 250,000,000 | 133,917,665 |
| 1996-97 ⁴ | 45,979,315 | 363,397,366 | n/a | 409,376,681 | 33,338,894 | 0 | 0 | 12,640,421 | 192,356,673 | 0 | 0 | 171,040,693 |
| 1997 | 0 | 362,195,578 | n/a | 362,195,578 | 0 | 0 | 0 | 0 | 326,671,012 | 0 | 0 | 35,524,566 |
| 1998-99 | 60,158,925 | 490,660,340 | 1,124,000 | 551,943,265 | 26,146,444 | 1,402,500 | 0 | 32,609,981 | 247,900,896 | 247,500 | 4,150,000 | 239,485,944 |
| 1999 | 0 | 185,866,273 | n/a | 185,866,273 | 0 | 0 | 0 | 0 | 148,596,895 | 0 | 0 | 37,269,378 |
| 2000-01 | 59,269,229 | 485,464,477 | 2,000,951 | 546,734,657 | 2,677,106 | 0 | 0 | 56,592,123 | 90,851,785 | 0 | 11,824,800 | 384,788,843 |
| 2001 | 0 | 161,449,378 | 0 | 161,449,378 | 0 | 0 | 0 | 0 | 155,259,154 | 0 | 0 | 6,190,224 |
| 2002-03 | 89,978,254 | 74,532,065 | 0 | 164,510,319 | 70,311,606 | 0 | 0 | 19,666,648 | 6,916,295 | 0 | 0 | 67,615,770 |
| 2003 | 0 | 5,807,645 | 0 | 5,807,645 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,807,645 |
| 2004 | 133,537,022 | 223,559,884 | 0 | 357,096,906 | 83,800,084 | 0 | 0 | 49,736,938 | 1,000 | 0 | 0 | 223,558,884 |
| 2005 | 0 | 3,625,045 | 0 | 3,625,045 | 0 | 0 | 0 | 0 | 625,044 | 0 | 0 | 3,000,001 |

¹ Fiscal Year 1980 includes \$49,150,000 for Truman State Office Building vetoed by the Governor (veto overridden).

² Fiscal Year 1983 includes appropriations from the 1983 Special Session.

³ Fiscal Year 1984 includes appropriations from the 1984 Special Session.

⁴ Fiscal Year 1996 biennial appropriations implemented.

*ADA – Americans with Disabilities Act

CONSENSUS STATE REVENUE ESTIMATE & RECEIPTS **FY 2001 thru FY 2004**

The consensus revenue estimate calculated by the Office of Administration and the General Assembly attempts to provide an accurate revenue forecast for the upcoming fiscal year, based upon projections of both the national and state economic conditions and trends. The revenue estimate is one of the first areas that is analyzed before the state budget is formulated and is usually finalized in the December preceding the next fiscal year.

CONSENSUS REVENUE ESTIMATE FOR FISCAL YEARS 2003 & 2004 **For NET BASE GENERAL REVENUE COLLECTIONS**

| | Original Estimate FY 2004 | Revised Estimate FY 2004 | Original Estimate FY 2005 | FY 2005 Est. vs FY 2004 Rev. Est. % Change |
|---------------------------------|------------------------------|-----------------------------|------------------------------|--|
| GENERAL REVENUE: | | | | |
| Sales & Use Tax | \$1,895,600,000 | \$1,894,400,000 | \$1,979,600,000 | 4.50% |
| Individual Income Tax | 4,571,900,000 | 4,553,800,000 | 4,821,400,000 | 5.88% |
| Corporate Income/Franchise Tax | 397,800,000 | 425,000,000 | 440,900,000 | 3.74% |
| County Foreign Insurance Tax | 203,300,000 | 161,800,000 | 167,900,000 | 3.77% |
| Liquor Taxes and Licenses | 22,400,000 | 22,500,000 | 24,000,000 | 6.67% |
| Beer Taxes and Licenses | 8,500,000 | 8,300,000 | 8,700,000 | 4.82% |
| Inheritance/Estate Tax | 61,500,000 | 75,000,000 | 46,400,000 | -38.13% |
| Interest | 12,000,000 | 17,000,000 | 17,900,000 | 5.29% |
| Federal Reimbursements | 79,700,000 | 88,600,000 | 85,200,000 | -3.84% |
| Other Sources | 114,000,000 | 131,300,000 | 121,200,000 | -7.69% |
| TOTAL GENERAL REVENUE | \$7,366,700,000 | \$7,377,700,000 | \$7,713,200,000 | 4.55% |
| *Less Refunds | (1,201,800,000) | (1,116,200,000) | (1,219,600,000) | 9.26% |
| NET BASE GENERAL REVENUE | \$6,164,900,000 | \$6,261,500,000 | \$6,493,600,000 | 3.71% |

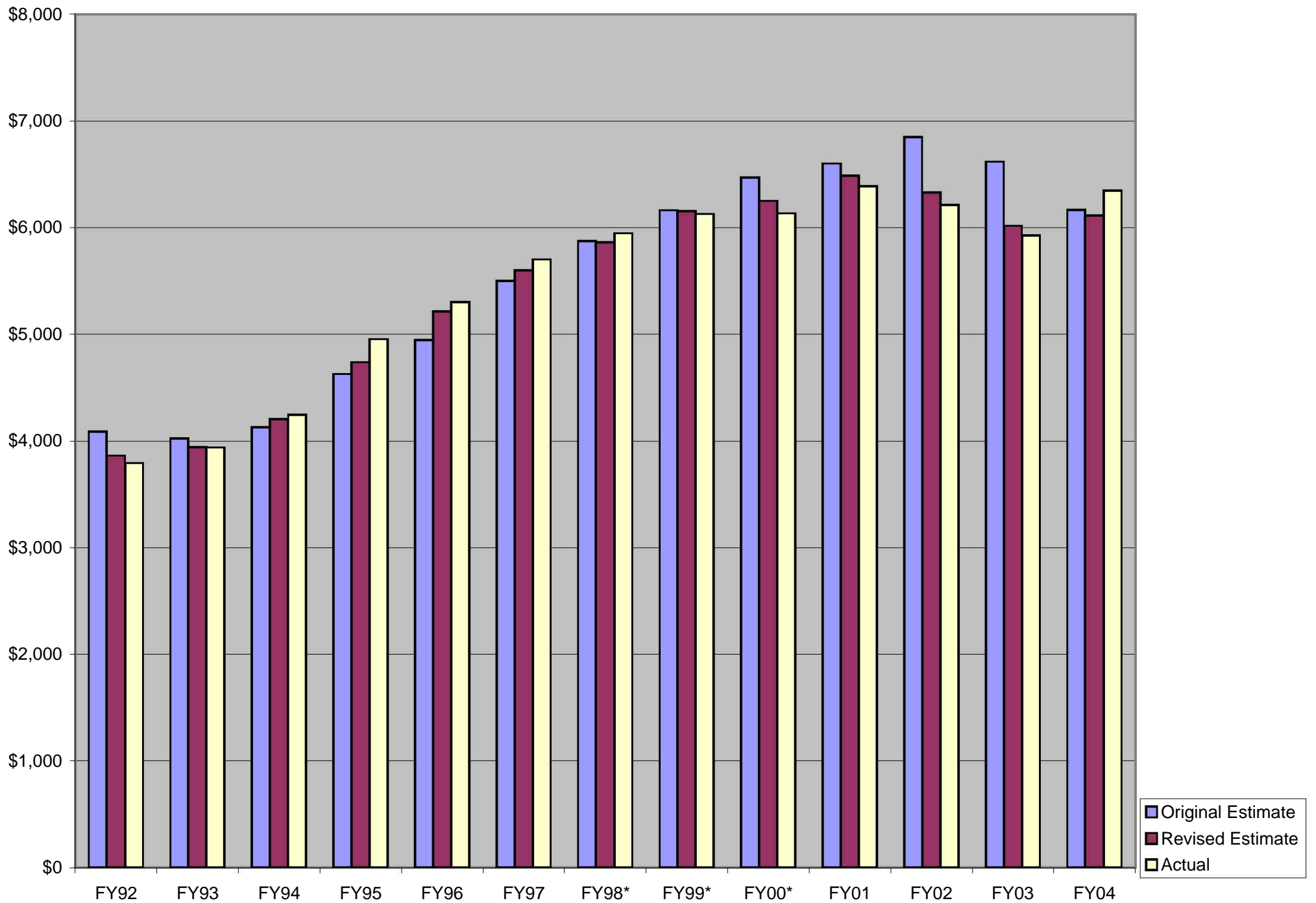
GENERAL REVENUE RECEIPTS FOR FISCAL YEAR 2001, 2002 & 2003 **For NET BASE GENERAL REVENUE COLLECTIONS**

| | Receipts FY 2002 | Receipts FY 2003 (1) | Estimated Receipts FY 2004 (1) | FY 2003 vs. FY 2002 % Change |
|---------------------------------|------------------------|------------------------|-----------------------------------|------------------------------------|
| GENERAL REVENUE: | | | | |
| Sales & Use Tax | \$1,799,340,040 | \$1,799,340,040 | \$1,902,373,323 | 5.73% |
| Individual Income Tax | 4,368,671,009 | 4,368,671,009 | 4,572,189,461 | 4.66% |
| Corporate Income/Franchise Tax | 403,770,858 | 403,770,858 | 420,984,627 | 4.26% |
| County Foreign Insurance Tax | 157,136,444 | 157,136,444 | 162,134,696 | 3.18% |
| Liquor Taxes and Licenses | 21,425,120 | 21,425,120 | 22,452,147 | 4.79% |
| Beer Taxes and Licenses | 8,225,453 | 8,225,453 | 8,339,952 | 1.39% |
| Inheritance/Estate Tax | 79,070,844 | 79,070,844 | 75,115,067 | -5.00% |
| Interest | 21,134,379 | 21,134,379 | 16,239,645 | -23.16% |
| Federal Reimbursements | 104,037,220 | 104,037,220 | 87,789,470 | -15.62% |
| Other Sources | 124,288,536 | 123,689,290 | 153,208,407 | 23.87% |
| TOTAL GENERAL REVENUE | \$7,087,099,903 | \$7,086,500,657 | \$7,420,826,795 | 4.72% |
| *Less Refunds | (1,160,193,892) | (1,160,193,892) | (1,075,034,967) | -7.34% |
| NET BASE GENERAL REVENUE | \$5,926,906,011 | \$5,926,306,765 | \$6,345,791,828 | 7.08% |

(1) FY03 Receipts and FY04 Estimated Receipts does not included \$95,133,169 payment for Federal Relief to the States.

* Per section 136.035, RSMo, the Department of Revenue will pay refunds on any overpayment or erroneous payment of tax that the state collects. This includes, but may not be limited to, refund claims for senior citizens, sales, income, withholding, corporate, and other refunds.

Comparison of the Consensus Revenue Estimate to Actual Collections



* In FY98, FY99, & FY00 the General Assembly passed tax cuts after the original estimate was completed.

State of Missouri Bonded Indebtedness

The General Assembly is authorized by constitutional and statutory provisions to authorize the issuance of debt for various purposes. The Board of Fund Commissioners and the Board of Public Buildings are responsible for managing the state's issuance of general obligation instruments and revenue bonds, respectively. In addition, the General Assembly has created several financing authorities responsible for raising capital via debt issuance for specific purposes.

General Obligation Instruments

The State of Missouri presently has several outstanding issues of Water Pollution Control (WPC), Third State Building (TSB), Fourth State Building (FSB), and Stormwater Control Bonds (SWB) general obligation bonds. WPC bonds provide funding for various projects aimed at protecting the environment through the control of water pollution. TSB bonds provide funding for necessary improvements to state buildings and property. FSB bonds provide funding for improvements of buildings and property of higher education institutions, the Department of Corrections, and the Division of Youth Services. SWB bonds provide funds for state use to protect the environment through the control of stormwaters. All are secured by a pledge of the full faith and credit of the state of Missouri.

The Constitution of the State of Missouri establishes limits for WPC, TSB, FSB and SWB bonds. The constitutional limit on WPC bonds is \$725 million (Article III, § 37(b), 37(c), 37(e), Missouri Constitution). The constitutional limit on TSB bonds is \$600 million (Article III, § 37(d), Missouri Constitution). The constitutional limit on FSB bonds is \$250 million (Article III, § 37 (f), Missouri Constitution). The constitutional limit on SWB bonds is \$200 million (Article III, § 37(h). The amount of WPC bonds that remain authorized but not yet issued is \$210,505,760. There is no remaining amount of authorization to be issued for the TSB and FSB bonds.

Revenue Bonds

Upon approval of the General Assembly, the Board of Public Buildings is authorized to issue revenue bonds for state building projects to house state agencies. The Department of Natural Resources (DNR) is also authorized to issue revenue bonds with the General Assembly's approval. DNR uses revenue bond proceeds for the acquisition and/or development of park facilities.

Revenue bonds are secured by revenues generated from the projects they finance and are not backed by the full faith and credit of the state. Section 8.420, RSMo, limits revenue bond issuance by the Board of Public Buildings to \$825 million. Sections 253.210-253.280, RSMo, limit revenue bonds issued by DNR to \$5,167,000 for state parks.

Both the Board of Public Buildings and DNR are allowed by statute to issue bonds for the purpose of refunding outstanding issues. As with general obligation bonds, revenue bonds are refunded when lower rates of interest are available.

In May of 2001, the Board issued \$173,870,000 principal amount of State Building Special Obligation Bonds, Series A 2001 for the purpose of financing the Jefferson City Correctional Center, the Western Missouri Mental Health Center, and the Department of Natural Resources Office Building, to purchase a building presently being leased by the State and pay certain costs of issuance of the Bonds. In 2003, \$387,425,000 was issued to reimburse General Revenue for costs of various capital improvements projects and new construction for a state health laboratory, University of Missouri – Kansas City Pharmacy building, and a University of Missouri – Columbia Life Sciences building.

Other Debt Issuances

On August 15, 1991, the St. Louis Regional Convention and Sports Complex Authority issued \$132,910,000 of Convention and Sports Facility Project bonds for the eastern expansion of the existing Cervantes Convention Center in St. Louis. These bonds are limited obligations of the Authority and do not constitute a pledge of the full faith and credit of the state. However, under a financing agreement dated August 1, 1991, appropriations are made from General Revenue to pay the principal and interest due each year. The Regional Convention and Sports Complex Authority issued \$121,705,000 of Convention and Sports Facility Refunding Bonds in December 1993. Payments are to conclude in fiscal year 2021. Annual appropriation is \$2,000,000.

Section 67.641 RSMo establishes appropriations up to \$2,000,000 annually to be paid from the state general revenue fund to each convention and sports complex fund created pursuant to Section 67.639. In 1997 Section 67.641 RSMo was revised and annual state contributions was increased from \$2,000,000 to \$3,000,000. In fiscal year 1991 the Kansas City Convention Center (Bartle Hall) began receiving \$2,000,000 annually from the State. Payments will continue until fiscal year 2015. In fiscal year 1991 Jackson County Convention Center (Kauffman/Arrowhead Stadium) began receiving \$2,000,000. In fiscal year 1998 the amount was increased to \$3,000,000 and will continue until fiscal year 2015.

On November 1, 2001, the Missouri Health and Education Facilities Authority (MOHEFA) issued \$35,000,000 of Educational Facilities Revenue Bonds Series 2001 to finance the University of Missouri – Columbia Arena Project. The State's debt service payments will begin in fiscal year 2005 when the first principal payment is due. Interest amounts due prior to fiscal year 2005 are to be paid from interest capitalized from the bond proceeds. Payments will continue until fiscal year 2022.

On August 1, 1999, the Springfield, Missouri State Highway Improvement Corporation issued \$17,240,000 of Springfield, Missouri State Highway Improvement Corporation Transportation Revenue Bonds Series 1999 for the purpose of financing improvements to various projects of the Highway and Transportation Commission and the City of Springfield. These bonds are not an obligation of the Corporation and do not constitute a pledge of the full faith and credit of the State. However, under an amended financing agreement dated August 5, 1999, the Missouri Highway and Transportation Commission will make payments to the corporation in amounts sufficient to pay principal and interest due on \$11,368,588 of bonds. The City of Springfield will pay the remainder of the debt service requirements.

On September 1, 1997, the Missouri Highway 179 Transportation Corporation issued \$22,930,000 of highway revenue bonds for the purpose of acquisition of right-of-way and

construction of an extension of Missouri Highway 179 from U.S. Highway 50 to Route B in Cole County, Missouri. At the same time, the Highway and Transportation Commission entered into a financing agreement to make payment to the Corporation in amounts sufficient to pay principal and interest due on \$18,385,625 of bonds. These bonds are not an obligation of the Corporation and do not constitute a pledge of the full faith and credit of the State. The City of Jefferson and the County of Cole will pay the remainder of the debt service requirements.

In May 2001, the Wentzville Parkway Transportation Corporation issued \$12,935,000 of Transportation Revenue Bonds, Series 2001 for the purpose of financing the Wentzville Parkway project. These bonds are not an obligation of the Corporation and do not constitute a pledge of the full faith and credit of the State. At the same time, the Missouri Highways and Transportation Commission entered into a financing agreement to make payments to the Corporation amounts sufficient to pay principal on \$8,849,000 of the bonds.

The Fulton 54 Transportation Corporation issued \$8,705,000 of Highway Revenue Bonds Series 2000 dated September 1, 2000. These bonds are not an obligation of the corporation and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement dated September 1, 2000, the Missouri Highways and Transportation Commission will make payments to the Corporation in amounts sufficient to pay principal due on \$7,695,000 of bonds. The remainder of the debt service requirements will be paid by the City of Fulton.

The Missouri Highways and Transportation Commission authorized by the State Highway Act, issued \$250,000,000 of State Road Bonds Series A 2000 dated December 1, 2000, for the purpose of providing funds to finance project costs for highway construction and repairs scheduled in the five-year plan, to fund capitalized interest on the series, and to fund related issuance cost. The principal and interest of the State Road Bonds are payable solely from the State Road Fund's revenues as provided in the Missouri Constitution. In October 2001, \$200,000,000 of Series A 2001 State Road Bonds were issued and in June 2002 \$203,000,000 of Series A 2002 State Road Bonds were issued.

On December 2002, the Conservation Commission sold Certificates of Participation (Conservation Commission Project) Series 2002 in the amount of \$4,700,000 to lease/purchase the Conservation Campus in Cape Girardeau from the county. The state's obligation under the certificates of participation does not constitute a general obligation or other indebtedness of the state. The certificates of participation represent proportionate ownership interests of the certificate holders in a lease agreement. The certificates do not constitute a pledge of the full faith and credit of the State.

Lease/Purchase Agreements

On March 1, 1994, Missouri Public Facilities Corporation sold Certificates of Participation (Acute Care Psychiatric Hospital Project) Series A 1994 in the amount of \$22,250,000. The State of Missouri entered into a lease/purchase agreement to lease the acute care psychiatric hospital. The certificates of participation represent proportionate ownership interests of the certificate holders in the lease agreement. The certificates do not constitute a pledge of the full faith and credit of the State. Payments under the lease agreement have been structured in amounts sufficient to pay principal and interest on the certificates.

On April 1, 1995, the Missouri PRC Corporation sold Certificates of Participation (Psychiatric Rehabilitation Center Project) Series A 1995 in the amount of \$19,190,000. At the same time, the State of Missouri entered into a lease/purchase agreement to lease the psychiatric rehabilitation center. The certificates do not constitute a pledge of the full faith and credit of the State. Payments under the lease agreement have been structured in amounts sufficient to pay principal and interest on the certificates, and are subject to annual appropriation by the General Assembly.

On July 1, 1995, the Northwest Missouri Public Facilities Corporation sold Certificates of Participation (Northwest Missouri Psychiatric Rehabilitation Center Project) Series B 1995 in the amount of \$14,795,000. The State of Missouri entered into a lease/purchase agreement to lease the psychiatric rehabilitation center. The certificates do not constitute a pledge of the full faith and credit of the State. Payments under the lease agreement have been structured in amounts sufficient to pay principal and interest on the certificates, and are subject to annual appropriation by the General Assembly.

On May 27, 1999, the Missouri Public Facilities Corporation II sold Certificates of Participation (Bonne Terre Prison Project) Series A 1999 in the amount of \$106,190,000. At the same time, the State of Missouri entered into a lease/purchase agreement to lease the prison. The certificates of participation represent proportionate ownership interests of the certificate holders in the lease agreement. The certificates do not constitute a pledge of the full faith and credit of the State. Payments under the lease agreement have been structured in amounts sufficient to pay principal and interest on the certificates, and are subject to annual appropriation by the State legislature.

STATE OF MISSOURI
SUMMARY OF STATE INDEBTEDNESS
As of July 1, 2004

| Series | Principal Outstanding July 1, 2004 |
|-----------------------------------|--|
| General Obligation Bonds | \$855,115,000 |
| Revenue Bonds | 616,480,000 |
| Other Debt/Payments | 1,177,524,292 |
| Totals Including Refunding Issues | <u>\$2,649,119,292</u> |

STATE OF MISSOURI
SUMMARY OF ANNUAL DEBT SERVICE
As of July 1, 2004

| Fiscal Year | General Obligation Bonds | Revenue Bonds | Other Debt/ Payments | Total |
|----------------|--------------------------------|---------------------------|----------------------------|---------------------------|
| 2005 | \$95,148,747.56 | \$44,066,343.76 | \$117,481,350.00 | \$256,696,441.32 |
| 2006 | 104,022,278.82 | 44,021,368.79 | 115,909,606.00 | 263,953,253.61 |
| 2007 | 105,837,957.57 | 54,758,281.26 | 121,023,932.00 | 281,620,170.83 |
| 2008 | 108,833,512.57 | 54,299,350.01 | 110,989,745.00 | 274,122,607.58 |
| 2009 | 102,729,192.56 | 53,852,606.26 | 109,988,176.00 | 266,569,974.82 |
| 2010 | 93,222,492.56 | 53,420,006.26 | 106,668,190.00 | 253,310,688.82 |
| 2011 | 85,161,648.82 | 43,449,968.76 | 106,464,841.00 | 235,076,458.58 |
| 2012 | 52,086,445.07 | 43,169,581.26 | 106,330,269.00 | 201,586,295.33 |
| 2013 | 52,165,945.06 | 42,729,534.38 | 105,530,477.00 | 200,425,956.44 |
| 2014 | 43,560,138.18 | 40,275,587.50 | 105,404,609.00 | 189,240,334.68 |
| 2015 | 43,558,688.80 | 40,014,137.50 | 105,307,042.00 | 188,879,868.30 |
| 2016 | 40,695,205.05 | 39,807,937.50 | 98,353,695.00 | 178,856,837.55 |
| 2017 | 40,706,776.29 | 39,614,987.50 | 95,482,512.00 | 175,804,275.79 |
| 2018 | 38,251,407.52 | 39,553,587.50 | 95,501,823.00 | 173,306,818.02 |
| 2019 | 35,579,526.27 | 39,500,893.76 | 95,319,967.00 | 170,400,387.03 |
| 2020 | 33,381,497.52 | 39,378,100.00 | 87,111,551.00 | 159,871,148.52 |
| 2021 | 25,423,075.02 | 39,282,350.00 | 65,775,981.00 | 130,481,406.02 |
| 2022 | 25,396,937.51 | 39,236,525.00 | 44,268,213.00 | 108,901,675.51 |
| 2023 | 13,838,806.25 | 39,234,756.25 | 19,784,588.00 | 72,858,150.50 |
| 2024 | 7,903,581.25 | 39,221,781.25 | - | 47,125,362.50 |
| 2025 | 7,904,675.00 | 39,227,206.25 | - | 47,131,881.25 |
| 2026 | 5,116,281.25 | 39,241,800.00 | - | 44,358,081.25 |
| 2027 | 3,028,000.00 | 26,897,050.00 | - | 29,925,050.00 |
| 2028 | 3,028,875.00 | 26,832,675.00 | - | 29,861,550.00 |
| 2029 | - | 26,801,775.00 | - | 26,801,775.00 |
| | <u>\$1,166,581,691.50</u> | <u>\$1,027,888,190.75</u> | <u>\$1,812,696,567.00</u> | <u>\$4,007,166,449.25</u> |

Tax Credit Analysis

Tax credits have been a part of Missouri's tax system for decades. For instance, the Neighborhood Assistance Credit became effective in 1978. During the mid-to-late 1990s, however, Missouri experienced significant revenue growth that triggered successive years of Article X refunds to taxpayers. Along with cutting taxes, the General Assembly passed numerous tax credit programs to restrain revenue growth under the Article X revenue cap and affect certain public policies. Below are 21 tax credits with effective dates of 1998 or later:

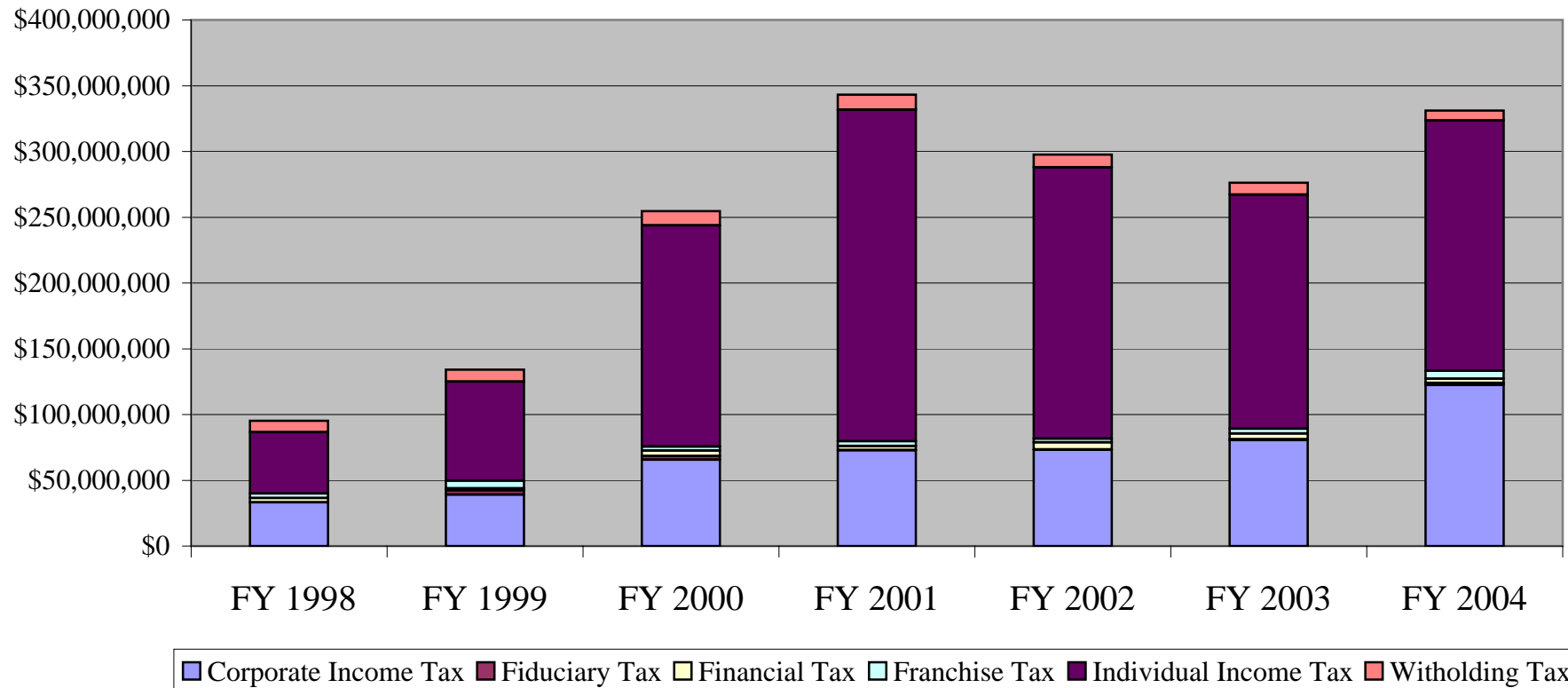
Charcoal Producers Credit (135.313 RSMo)
Historic Preservation Credit (253.545 RSMo)
Maternity Home Credit (135.600 RSMo)
Shelters for Victims of Domestic Violence Credit (135.550 RSMo)
Sponsorship and Mentoring Credit (135.348 RSMo)
Film Production Credit (620.1039 RSMo)
Grape Grower/Wine Producer Credit (135.700 RSMo)
MOSTARS Higher Education Savings Program Credit (173.775-796 RSMo)
Rebuilding Communities Credit (135.535 RSMo)
Missouri Individual Training Account Program Credit (620.1400-1460 RSMo)
Transportation Development Credit (135.545 RSMo) - *repealed*
Agricultural Product Utilization Contributor Credit (348.414 RSMo)
Family Development Creation Credit (620.1560 RSMo)
New Enterprise Creation Credit (620.635-653 RSMo)
New Generation Cooperative Incentive Credit (348.414 RSMo)
Pharmaceutical Income Tax Credit (135.095 RSMo) – *repealed*
Shared Care Tax Credit (660.053-055 RSMo)
ADA Compliance Tax Credit (135.490 RSMo)
Mature Worker Child Care Credit (620.1560 RSMo)
Strategic Initiative Investment Income Tax Refund Credit (135.270 RSMo)
Rebuilding Communities and Neighborhood Preservation Act Credit (135.535 RSMo)

Through the addition and/or expansion of tax credit programs, the amount of tax credits redeemed has grown significantly over the past several years. According to information provided by the Department of Revenue:

- Tax credits cost to the State Treasury for FY 2004 (\$331 million) increased from FY 2003 (\$276 million).
- Tax credits cost to the State Treasury has grown from \$102 million in FY 1998 to \$331 million in FY 2004.
- In the past seven fiscal years (1998-2004), tax credits have cost the State Treasury \$1.732 billion.

The following table provides further detail on Missouri's tax credit costs to the State Treasury from FY 1998 through FY 2004.

Tax Credit Impact on Treasury



| | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 |
|-----------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Corporate Income Tax | 33,260,141 | 39,126,118 | 65,711,731 | 72,860,912 | 73,271,172 | 80,484,555 | 122,546,225 |
| Fiduciary Tax | 1,924 | 3,298,417 | 2,712,120 | 54,013 | 188,234 | 644,933 | 1,425,487 |
| Financial Tax | 3,213,899 | 1,337,567 | 4,253,056 | 3,038,924 | 5,287,706 | 4,406,851 | 3,244,932 |
| Franchise Tax | 3,460,966 | 5,855,690 | 2,952,422 | 3,652,981 | 2,899,711 | 3,657,601 | 6,010,883 |
| Individual Income Tax | 46,661,489 | 75,390,497 | 168,132,406 | 252,134,676 | 206,172,658 | 178,008,175 | 190,265,386 |
| Withholding Tax | 8,669,495 | 9,190,424 | 10,888,919 | 11,542,521 | 9,864,792 | 9,139,913 | 7,696,571 |
| Totals | 95,267,914 | 134,198,713 | 254,650,654 | 343,284,027 | 297,684,273 | 276,342,028 | 331,189,483 |

TAX CREDIT ANALYSIS - Redeemed Tax Credits w/ Department of Revenue & Insurance
Fiscal Impact to Treasury for Month Ending June 30, 2004

| | Year-to-Date | | Fiscal Year Comparison | | | | | |
|--|--------------|-------------|------------------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2003 | FY 2004 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 |
| <u>Tax Credits Redeemed by Tax Category</u> | | | | | | | | |
| Corporate Income Tax | 80,484,555 | 122,546,225 | 50,371,262 | 78,737,967 | 72,860,912 | 73,271,172 | 80,484,555 | 122,546,225 |
| Fiduciary Tax | 644,933 | 1,425,487 | 3,250,078 | 2,704,322 | 54,013 | 188,234 | 644,933 | 1,425,487 |
| Financial Tax | 4,406,851 | 3,244,932 | 1,337,567 | 4,253,056 | 3,038,924 | 5,287,706 | 4,406,851 | 3,244,932 |
| Franchise Tax | 3,657,601 | 6,010,883 | 5,855,690 | 2,952,422 | 3,652,981 | 2,899,711 | 3,657,601 | 6,010,883 |
| Individual Income Tax | 178,008,175 | 190,265,386 | 66,535,273 | 159,242,242 | 252,134,676 | 206,172,658 | 178,008,175 | 190,265,386 |
| Withholding Tax | 9,139,913 | 7,696,571 | 9,190,424 | 10,888,919 | 11,542,521 | 9,864,792 | 9,139,913 | 7,696,571 |
| | 276,342,028 | 331,189,483 | 136,540,294 | 258,778,928 | 343,284,027 | 297,684,273 | 276,342,028 | 331,189,483 |
| <u>Tax Credits Redeemed by Major Tax Credit</u> | | | | | | | | |
| Senior Citizen Circuit Breaker | 97,180,378 | 95,237,314 | 52,351,205 | 56,623,024 | 101,523,060 | 85,901,461 | 97,180,378 | 95,237,314 |
| Pharmaceutical Tax Credit | 3,737,102 | 524,527 | - | 64,769,057 | 75,816,984 | 63,686,262 | 3,737,102 | 524,527 |
| Historic Preservation | 40,505,696 | 61,584,966 | 2,554,408 | 8,769,292 | 33,971,984 | 32,810,273 | 40,505,696 | 61,584,966 |

| <u>Increases/Decreases - FY 2003 to FY 2004</u> | <u>FY 2003</u> | <u>FY 2004</u> | <u>% Inc/Dec</u> |
|--|-----------------------|-----------------------|-------------------------|
| Historic Preservation (Individual, Corporate & Other) | 40,505,696 | 61,584,966 | 52.04% |
| Senior Citizen Circuit Breaker (Individual) | 97,180,378 | 95,237,314 | -2.00% |
| Pharmaceutical Tax Credit (Individual) | 3,737,102 | 524,527 | -85.96% |
| Certified Capital Co. (CAPCO) - (Corporate/Insurance) | 13,111,196 | 13,664,607 | 4.22% |
| Qualified Research Expense (Individual, Corporate & Other) | 1,926,015 | 1,946,939 | 1.09% |
| Rebuilding Communities (Individual, Corporate & Other) | 2,329,341 | 1,387,347 | -40.44% |
| Low Income Housing (Individual, Corporate & Other) | 25,647,783 | 33,196,754 | 29.43% |
| Remediation Tax Credit (Individual, Corporate & Other) | 1,674,194 | 16,101,975 | 861.77% |

Notes:

Enterprise Zone income adjustment credits are estimated at 6% of the amount issued to determine cost to the treasury

Analysis does not include the following credits issued to insurance companies: Income/Franchise Tax, Examination Fees, Valuation

Fees, Registration Fees, Health Pool, Personal Property Tax, MO Property & Casualty Guarantee, and the MO Life & Health Guarantee

GAMING & GAMING COMMISSION REVENUE

Senate Bill 10 & 11 (86th General Assembly, 1st Regular Session, 1994) created the Missouri Gaming Commission, which became responsible for the licensing and regulation of excursion gambling boats throughout the state. After June 30, 1994, this act also provided for the transfer of responsibilities of licensing and regulation of bingo activities to the Gaming Commission.

Revenues generated from the gaming industry provide for the operation of the Missouri Gaming Commission (§ 313.835 RSMo), as well as providing a portion of the funding for education throughout the state (§ 313.835 RSMo; Article IV, Section 15, Missouri Constitution). The following information outlines how gaming revenues are divided between the State Education Fund and the Gaming Commission.

Gaming Revenue in Missouri

The following summarizes how the funding mechanism allocates dollars to both the operation of the Gaming Commission and to the State Education Fund.

- There is a \$2 boarding fee, paid either by the gambler or the casino, \$1 of which supports the operation of the Gaming Commission, with the other \$1 going to the local government.
- 80% of the gamblers' losses goes to the boat, while 2% goes to the local government. The remaining 18% (Gaming Tax) is allocated to the State Education Fund.

Contribution of Gaming Proceeds (18% tax) to Education

| | FY 2003 | FY 2004 | FY 2005 (estimated) |
|---------------------------------|-----------------|-----------------|----------------------------|
| Gaming Revenue | \$1,304,986,598 | \$1,404,583,030 | \$1,335,286,830 |
| Gaming Proceeds to Education | \$234,897,588 | \$252,824,945 | \$239,950,000 |

For FY 2001 and 2002, the School District Bond Fund was allocated \$7 million with the remainder being allocated to the foundation formula through the State Schools Money Fund. For FY 2003 the Bond Fund amount was reduced to \$2.3 million, and \$450,000 for FY 2004 and FY 2005.

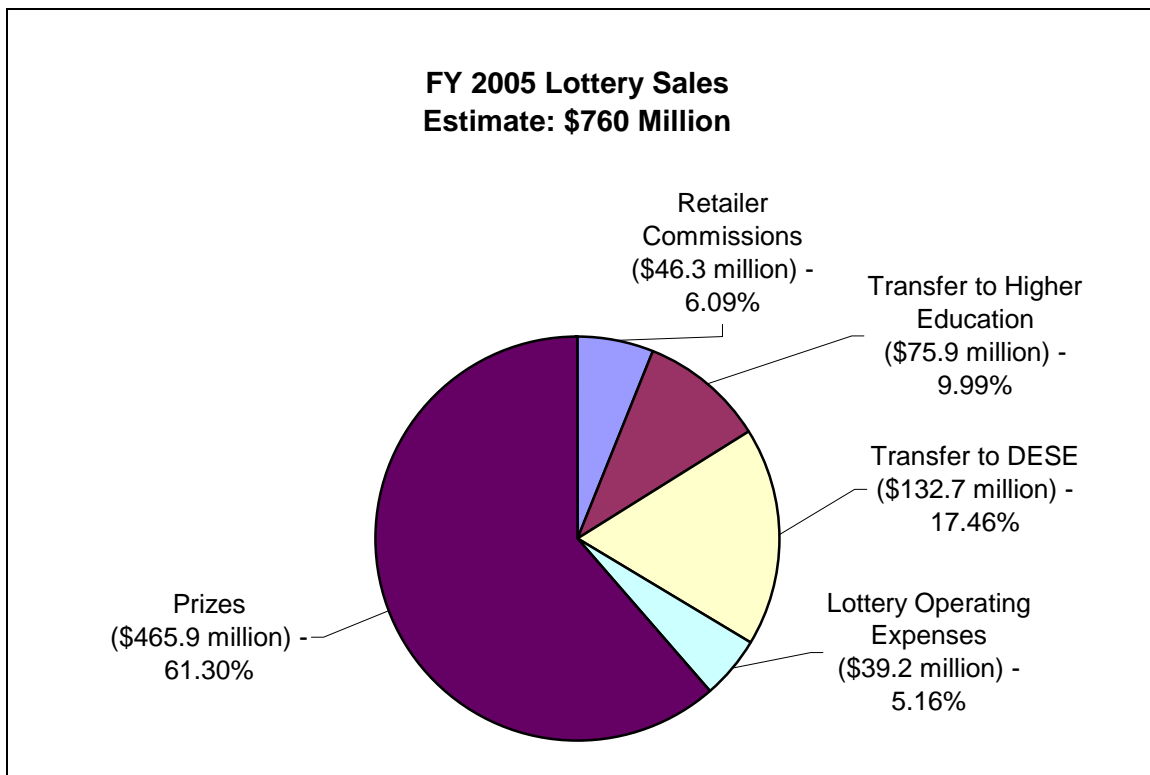
Appropriations of Gaming Commission Fund Revenues (\$1 boarding fee) **

| | <u>FY 2003</u> | <u>FY 2004</u> | <u>FY 2005</u> |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| Juvenile Court Diversion | \$500,000 | \$500,000 | \$500,000 |
| Veterans Commission CI Trust Fund | \$3,000,000 | \$3,000,000 | \$3,000,000 |
| MO National Guard Trust | \$3,000,000 | \$3,000,000 | \$3,000,000 |
| MO College Guarantee | \$4,500,000 | \$4,500,000 | \$5,000,000 |
| Early Childhood | \$28,070,061 | \$21,831,154 | \$21,831,154 |
| Compulsive Gambling | \$452,696 | \$489,850 | \$489,850 |
| Administrative Expenses | <u>\$17,056,989</u> | <u>\$17,311,082</u> | <u>\$17,742,347</u> |
| TOTAL | \$56,579,746 | \$50,632,086 | \$51,563,351 |

NOTE: The amounts listed above for the Veterans Commission Capital Improvements Trust Fund, National Guard Trust, MO College Guarantee are transferred amounts from HB 8. The remaining items; Juvenile Court Diversion (HB 11), Early Childhood (HB 2), Compulsive Gambling (HB 10), and Administrative Expenses (HB 8) are appropriated dollar amounts.

FY 2005 Lottery Sales Estimate

The Missouri State Lottery was created by voter approval of Constitutional Amendment No. 5 on November 6, 1984. Section 39(b) of Article III of the Missouri Constitution requires that a minimum of 45% of money received from the sale of Missouri state lottery tickets shall be awarded as prizes. The Constitution was further amended on August 4, 1992 to dedicate net lottery proceeds solely to public institutions of elementary, secondary, and higher education.



TOBACCO SETTLEMENT PROCEEDS

In 1997, the state of Missouri sued 18 tobacco companies on the basis of violations of the Missouri Merchandising Act and antitrust laws, as well as for reimbursement for health care costs and a variety of other claims. In November 1998, Missouri entered into the Master Settlement Agreement ("MSA") in resolution of the litigation in the Circuit Court of the City of St. Louis. Missouri agreed to dismiss all claims in exchange for a series of monetary payments, continued for at least 25 years, and non-monetary benefits, such as a prohibition against certain tobacco advertising. The court approved the settlement on March 5, 1999. Several parties, including public hospitals and other political subdivisions of the state, appealed the MSA and the denial of motions to intervene in the case at the trial level. The Missouri Court of Appeals, Eastern District, upheld the decision of the trial court to approve the settlement, and the Missouri Supreme Court accepted the transfer of the appeal. The Missouri Supreme Court issued its opinion approving the settlement on December 12, 2000.

Settlement Proceeds

The MSA provides that tobacco companies will make payments into an escrow account from which moneys will be disbursed to the state. Missouri's share is estimated at \$4.5 billion over 25 years. This estimate includes adjustments, reductions and offsets, which are calculated on a yearly basis. A schedule of payments and the estimated revenues is shown below.

| <u>Fiscal Year</u> | <u>Amount (in millions of dollars)</u> |
|--------------------|--|
| FY 2001 | \$ 338.2 (actual) |
| FY 2002 | \$ 172.7 (actual) |
| FY 2003 | \$ 166.9 (actual) |
| FY 2004 | \$ 143.1 (actual) |
| FY 2005 | \$ 144.0 |
| FY 2006 | \$ 146.3 |
| FY 2007 | \$ 147.7 |
| FY 2008 | \$ 164.7 |
| FY 2009 | \$ 166.4 |
| FY 2010-2025 | <u>\$2,954.0</u> |
| Total | \$4,544.0 |

Executive Order

The Governor issued an Executive Order (01-05) on February 12, 2001, creating a Healthy Families Trust Fund within the state treasury. The Executive Order created five accounts within the Fund: Early Childhood Care and Education Account; Life Sciences Research Account; Tobacco Prevention, Education and Cessation Account; Health Care Treatment and Access Account; and Senior Catastrophic Prescription Drug Account. The Executive Order did not appropriate any funds or dictate any percentages for funding allocations to any account. It directed the Office of Administration to receive and expend tobacco settlement money in accordance with the budget submitted to the General Assembly as amended and truly agreed to and finally passed bills signed by the Governor.

TOBACCO SETTLEMENT EXPENDITURE SUMMARY

| | FY 2001 Expenditures | FY 2002 Expenditures | FY 2003 Expenditures | FY 2004 Expenditures | FY 2005 Appropriation | TOTAL |
|--------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|---------------|
| Health Care | 0 | 72,375,177 | 54,765,507 | 57,414,769 | 53,512,835 | 238,068,288 |
| Early Childhood | 0 | 8,883,281 | 509,321 | 0 | 0 | 9,392,602 |
| Life Sciences | 0 | 388,270 | 0 | 0 | 0 | 388,270 |
| Tobacco Prevention | 0 | 572,871 | 460,949 | 563,063 | 482,414 | 2,079,297 |
| Prescription Drugs | 0 | 2,352,773 | 11,130,932 | 16,478,288 | 16,856,817 | 46,818,810 |
| Cost Allocation Transfer to GR | 0 | 2,513,684 | 2,513,684 | 2,326,155 | 2,375,886 | 9,729,409 |
| Transfer to GR | 126,900,000 | 228,400,000 | 158,136,198 | 73,784,129 | 70,772,048 | 657,992,375 |
| TOTAL | \$126,900,000 | \$315,486,056 | \$227,516,591 | \$150,566,404 | \$144,000,000 | \$964,469,051 |

Section IV

**2004
TRULY AGREED TO AND
FINALLY PASSED
LEGISLATION**

ESTIMATED FISCAL IMPACT OF LEGISLATION FOR FY 2005 – FY 2007

Ninety-one Senate Bills, one hundred nineteen House Bills, two Senate Concurrent Resolutions, and three House Concurrent Resolutions were “Truly Agreed To and Finally Passed” during the 92nd General Assembly, 2nd Regular Session, (2004). The Governor vetoed four Senate Bills, four House Bills, one Senate Concurrent Resolution, and two House Concurrent Resolutions.

Presented on the following pages is a summary of the estimated fiscal impact over the next three years (2005-2007) of the legislation signed by the Governor. Numbers shown in parenthesis, such as (100,000), represent a new cost to the respective fund. Positive numbers, such as 100,000, indicate a savings to the respective fund. This listing will also reflect the bills that were vetoed by the Governor (bill #'s shown in red).

The information given on the following pages is based on information taken from the fiscal notes prepared for each bill by the Oversight Division, Committee on Legislative Research. Numbers do not include the appropriation bills. When the fiscal impact of a bill included a range, the higher figure for costs and losses, and the lower figure for income were used in calculating the fiscal impact. Actual costs may be higher or lower, depending on the actual appropriations. The totals listed for House and Senate bills do not include the unknown figures.

Detailed information on individual bills, including the fiscal note, can be obtained by contacting the Senate Appropriations Staff or accessing the Senate web page at www.senate.state.mo.us and the House web page at www.house.state.mo.us.

2004 REGULAR SESSION
TAFP HOUSE BILLS
Fiscal Summary

| Bill No. | Fund | General Revenue Fund | | | Other State Funds | | | Federal Funds | | | Local Funds | | |
|----------------------------|--|-----------------------|-----------------------|-----------------------|-------------------|-----------------------|-----------------------|---------------|------|------|-------------------------------|-------------------------------|-------------------------------|
| | | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 |
| HCR 5 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HCR 12 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HCR 21 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 795, 972, 1128 & 1161 | Blind Pension Trust, MO Public Health Services, School District Trust, Conservation, and Parks & Soils | (Unknown) | (Unknown) | (Unknown) | (Unknown) | (Unknown) | (Unknown) | \$0 | \$0 | \$0 | Unknown | Unknown | Unknown |
| HB 798 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 822 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 826 & 883 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 833 | | \$0 or (Unknown) | \$0 or Unknown | \$0 or Unknown | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 841 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 855 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | (Unknown Less than \$100,000) | (Unknown Less than \$100,000) | (Unknown Less than \$100,000) |
| | Insurance Dedicated | | | | \$8,000 | \$0 | \$0 | | | | | | |
| | Patrol Highway Highway | | | | (\$31,574) | (\$65,042) | (\$66,994) | | | | | | |
| HB 869 | | \$0 | \$0 | \$0 | (\$121,635) | (\$250,568) | (\$258,085) | | | | | | |
| HB 895 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 904 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |
| HB 916 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 923 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 928, 1123 & 1280 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 938 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Insurance Dedicated | | | | \$0 to \$17,500 | \$0 | \$0 | | | | | | |
| HB 947 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 950 & 948 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 or Unknown | \$0 or Unknown | \$0 or Unknown |
| HB 959 | | (Unknown) | (\$20,640 to Unknown) | (\$28,779 to Unknown) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 960 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 970 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 975 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 978 | | (\$22,413 to Unknown) | (\$22,413 to Unknown) | (Unknown) | \$0 | (\$63,968 to Unknown) | (\$57,132 to Unknown) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 980 | | \$0 | (\$25,000) | (\$25,000) | \$0 | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | DNR Dedicated | | | | | \$0 to (Unknown) | \$0 to (Unknown) | | | | | | |
| HB 985 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 988 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 994 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | Unknown | Unknown | Unknown |
| HB 996, 1142, 1201, & 1489 | | \$0 | \$0 | \$0 | (Unknown) | Unknown | Unknown | \$0 | \$0 | \$0 | Unknown | Unknown | Unknown |
| HB 998 & 905 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1029, 1438 & 1610 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1047 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1055 | | (More than \$100,000) | (More than \$100,000) | (More than \$100,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1070 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1071, 801, 1275 & 989 | | Less than \$1,000,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1074 & 1129 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1090 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

2004 REGULAR SESSION
TAFP HOUSE BILLS
Fiscal Summary

| Bill No. | Fund | General Revenue Fund | | | Other State Funds | | | Federal Funds | | | Local Funds | | |
|---------------------------|---|-------------------------------|-------------------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|---------------|---------|---------|-------------|-------------|-------------|
| | | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 |
| HB 1099 (V) | | (Unknown) | (Unknown) | (Unknown) | | | | \$0 | \$0 | \$0 | (Unknown) | (Unknown) | (Unknown) |
| | School District Trust, Conservation Sales Tax and Parks & Soils Sales Tax. | | | | (Unknown) | (Unknown) | (Unknown) | | | | | | |
| HB 1107 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1114 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$4,119 | \$4,943 | \$4,943 |
| | Highway Fund | | | | (\$12,304) | \$13,828 | \$13,828 | | | | | | |
| HB 1115 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1126 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1136 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1149 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1167 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$311 | \$375 | \$375 |
| | Highway Fund | | | | (\$5,859) | \$625 | \$625 | | | | | | |
| HB 1171 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1177 (V) | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | NRPF | | | | \$150 | \$0 | \$0 | | | | | | |
| HB 1179 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1182 | Blind Pension, School District Trust, Conservation Sales Tax and Parks & Soils Sales Tax. | (Unknown exceeding \$950,000) | (Unknown exceeding \$950,000) | (Unknown exceeding \$950,000) | (Unknown) | (Unknown) | (Unknown) | \$0 | \$0 | \$0 | (Unknown) | (Unknown) | (Unknown) |
| | | | | | | | | | | | | | |
| HB 1187 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1188 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Crime Victim's Compensation Fund | | | | More than \$100,000 | More than \$100,000 | More than \$100,000 | | | | | | |
| HB 1192 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1193 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1195 | | (Unknown less than \$55,515) | (Unknown less than \$127,006) | (Unknown less than \$54,391) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1198 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1207 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1209 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1215 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1217 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1233 | | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown | Unknown |
| HB 1246 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Chiropractic Board | | | | \$2,500 | \$0 | \$0 | | | | | | |
| HB 1253 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1259 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1268 & 1211 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | (\$44,546) | (\$208,964) | (\$430,578) |
| | Unemployment Compensation Trust | | | | \$81,894,147 | \$136,094,528 | \$97,928,623 | | | | | | |
| HB 1284 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1285 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Road and Highway | | | | Unknown less than \$100,000 | Unknown less than \$100,000 | Unknown less than \$100,000 | | | | | | |
| HB 1288 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1290 | | (\$60,255) to \$39,745 | Unknown to \$100,000 | Unknown to \$100,000 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Various Chronic Illness Related Organization Funds | | | | (Unknown) to Unknown | (Unknown) to Unknown | (Unknown) to Unknown | | | | | | |
| HB 1291 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

2004 REGULAR SESSION
TAFP HOUSE BILLS
Fiscal Summary

| Bill No. | Fund | General Revenue Fund | | | Other State Funds | | | Federal Funds | | | Local Funds | | |
|--|--|----------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|---------------|-----------|-----------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 |
| HB 1304 (V) | | (Up to \$15,221,198) | (Up to \$15,154,059) | (Up to \$15,157,525) | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Insurance Dedicated | | | | (\$608,564) | (\$403,206) | (\$449,937) | | | | | | |
| | Highway | | | | Unknown | Unknown | Unknown | | | | | | |
| HB 1317 | Highway | \$0 | \$0 | \$0 | (\$12,897) | \$17,838 | \$17,838 | \$0 | \$0 | \$0 | \$5,094 | \$6,113 | \$6,113 |
| HB 1321 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1347 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1362 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1363 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | MO State Archives- St. Louis Trust | | | | Unknown to (Unknown) | Unknown to (Unknown) | Unknown to (Unknown) | | | | | | |
| HB 1364 | | (Less than \$100,000) | (Less than \$100,000) | (Less than \$100,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1377 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1398 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1399 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1403 | | (\$14,250) | (\$14,250) | (\$14,250) | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Elevator Safety Fund | | | | \$7,568 | \$141,337 | \$142,249 | | | | | | |
| HB 1405 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$2,344 | \$2,813 | \$2,813 |
| | Highway | | | | (\$9,696) | \$7,438 | \$7,438 | | | | | | |
| HB 1407 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1422 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1427 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1433 | | (\$320,572) | \$320,572 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | (\$410,862) | (\$222,354) |
| HB 1440 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1442 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1444 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1449 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$1,875 | \$2,250 | \$2,250 |
| | Highway | | | | (\$9,006) | \$5,750 | \$5,750 | | | | | | |
| HB 1453 | | (More than \$5,281,411) | (More than \$6,737,695) | (More than \$9,212,296) | | | | \$0 | \$0 | \$0 | \$0 to (Less than \$1,573,498) | \$0 to (Less than \$1,573,498) | \$0 to (Less than \$1,573,498) |
| | Highway | | | | (\$3,966) | \$0 | \$0 | | | | | | |
| | Criminal Records System | | | | \$64,960 to \$379,960 | \$58,906 to \$373,906 | \$58,086 to \$373,096 | | | | | | |
| | Child Support Enforcemt Childhood Lead Test | | | | (\$139,693) | (\$171,974) | (\$176,429) | | | | | | |
| HB 1456 & 824 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | Unknown to (Unknown) | Unknown to (Unknown) | Unknown to (Unknown) |
| HB 1487 | | (Less than \$100,000) | (Less than \$100,000) | (Less than \$100,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1494 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 to (\$5,000) | \$0 to (\$5,000) | \$0 to (\$5,000) |
| HB 1502 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1508 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1511 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1529 & 1655 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1548 | | \$0 | (Unknown) | (Unknown) | \$0 | (Unknown) | (Unknown) | \$0 | (Unknown) | (Unknown) | \$0 | \$0 | \$0 |
| HB 1599 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1603 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1613, 1445, 1454, 1462, 1471, 1608, 1612, & 1635 | | Less than \$1,000,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1614 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1616 | | \$40,000 to Unknown | \$40,000 to Unknown | \$40,000 to Unknown | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| Bill No. | Fund | General Revenue Fund | | | Other State Funds | | | Federal Funds | | | Local Funds | | |
|----------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|----------------------|---------------------|---------------|------------|------------|-------------------|--------------------|--------------------|
| | | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 |
| HB 1617 | | (Less than \$100,000) | (Less than \$100,000) | (Less than \$100,000) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1622 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1631 & 1623 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1634 | | \$0 to (\$18,050) | \$0 to (\$22,310) | \$0 to (\$22,979) | | | | \$0 | \$0 | \$0 | \$0 or (Unknown) | \$0 or (Unknown) | \$0 or (Unknown) |
| | Endowed Care Cemetery | | | | \$0 to (\$4,513) | \$0 to (\$5,577) | \$0 to (\$5,745) | | | | | | |
| | Children's Trust | | | | \$0 to (\$22,563) | \$0 to (\$27,887) | \$0 to (\$28,724) | | | | | | |
| HB 1660 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| HB 1664 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | \$0 | | | | | | | | | | | |
| TOTALS* | | (\$352,872) | \$259,012 | (\$62,229) | \$80,964,906 | \$135,368,616 | \$97,129,486 | \$0 | \$0 | \$0 | (\$35,803) | (\$608,332) | (\$641,438) |

* Totals do not include unknown figures.

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| Bill No. | Fund | General Revenue Funds | | | Other State Funds | | | Federal Funds | | | Local Funds | |
|--------------------|--|--------------------------|--------------------------|--------------------------|-------------------|-------------------|-------------------|---------------|------|------|------------------------------|-------------------------------|
| | | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 |
| SCR 26 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SCR 51 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 730 | | (\$500,000 to Unknown) | (Unknown) | (\$1,400,000 to Unknown) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | (Unknown) | (Unknown) |
| SB 732 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 740, 886 & 1178 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 757 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 758 | | Unknown | Unknown | Unknown | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | (\$248,276) | (\$248,276) |
| SB 762 | | (Less than \$101,631) | (Less than \$101,680) | (Less than \$101,370) | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Criminal Records System | | | | \$75,873 | \$75,093 | \$74,688 | | | | | |
| SB 767 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 769 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 to Unknown | \$0 to Unknown |
| SB 772 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 782 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 788 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 799 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 807 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 810 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 824 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 842 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 859 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 870 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Highway | | | | (Unknown) | (Unknown) | (Unknown) | | | | \$0 to Unknown | \$0 to Unknown |
| SB 878 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 884 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 899 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 901 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 920 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 921 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 942, 850 & 841 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 945, 803 & 1257 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 951 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 952 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 956 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 960 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 962 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 966 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Special Employment Security | | | | (Up to \$100,000) | (Up to \$100,000) | (Up to \$100,000) | | | | | |
| SB 968 & 969 | | (\$3,947,351 to Unknown) | (\$5,447,351 to Unknown) | (\$5,447,351 to Unknown) | | | | \$0 | \$0 | \$0 | Unknown - Expected to exceed | (Unknown - Up to \$1,500,000) |
| | Highway | | | | (\$10,000) | \$0 | \$0 | | | | | |
| SB 972 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | MO Public Safety Office Medal of Valor | | | | \$0 | \$0 | \$0 | | | | | |
| SB 974 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 987 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 992 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

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| Bill No. | Fund | General Revenue Funds | | | Other State Funds | | | Federal Funds | | | Local Funds | |
|--------------------|--------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|--------------------------|---------------|-----------|-----------|----------------|----------------|
| | | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 |
| SB 1000 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | DNA Profiling Analysis | | | | (\$4,173 to Unknown) | (Unknown) to \$92,812 | (\$1,477,854 to Unknown) | | | | | |
| SB 1003 | | (Unknown) | (Unknown) | (Unknown) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1006 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1012 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1020, 889 & 869 | | (Unknown) | (Unknown) | (Unknown) | | | | (Unknown) | (Unknown) | (Unknown) | (Unknown) | (Unknown) |
| | Road | | | | (\$3,006) | (\$3,715) | (\$3,827) | | | | | |
| | Conservation | | | | (Unknown to Unknown) | (Unknown to Unknown) | (Unknown to Unknown) | | | | | |
| | Public Service Comm. | | | | (\$3,159) | (\$3,791) | (\$3,791) | | | | | |
| SB 1040 | | \$725,272 | \$725,272 | \$725,272 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Hazardous Waste Remedial | | | | \$500,000 | \$1,000,000 | \$0 | | | | | |
| | Hazardous Waste | | | | \$750,000 | \$1,500,000 | \$0 | | | | | |
| SB 1055 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1062 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1078 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1080 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1081 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1083 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1086 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1091 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1093 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1096 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Manufactured Housing | | | | \$0 to Unknown | \$0 to Unknown | \$0 to Unknown | | | | | |
| SB 1099 | | (\$235,902) | (\$102,098) | (\$104,694) | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Insurance Dedicated | | | | (Unknown) | (Unknown) | (Unknown) | | | | | |
| SB 1100 | | \$40,000 to Unknown | \$40,000 to Unknown | \$40,000 to Unknown | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1106 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1107 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1111 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1114 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1122 | | (Unknown - Less than \$100,000) | (Unknown - Less than \$100,000) | (Unknown - Less than \$100,000) | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Dietician | | | | \$86,850 | \$2,606 | \$92,100 | | | | | |
| | Barber | | | | \$0 | \$2,250 | \$540 | | | | | |
| | Interior Design | | | | \$100,000 | \$1,500 | \$106,000 | | | | | |
| | Pharmacy | | | | \$0 | \$25,000 | \$25,000 | | | | | |
| | Insurance Dedicated | | | | \$24,267 | \$40,831 | \$38,681 | | | | | |
| SB 1123 ** | | (\$16,740,724) | (\$38,379,401) | (\$65,151,530) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1130 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1155 | | (\$2,206,271) | (\$1,248,322) | \$647,905 | | | | \$0 | \$0 | \$0 | \$0 or Unknown | \$0 or Unknown |
| | Highway | | | | \$0 to (Unknown) | \$0 to (Unknown) | \$0 to (Unknown) | | | | | |
| | Road | | | | \$0 to (Unknown) | \$0 to (Unknown) | \$0 to (Unknown) | | | | | |
| SB 1160 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1172 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1181 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1188 | | \$0 | \$0 | \$0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Insurance Dedicated | | | | \$0 to \$17,500 | \$0 | \$0 | | | | | |
| SB 1195 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1196 | | (\$99,628) | (\$108,275) | (\$108,275) | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | Fire Education | | | | \$173,450 | \$173,450 | \$173,450 | | | | | |

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| Bill No. | Fund | General Revenue Funds | | | Other State Funds | | | Federal Funds | | | Local Funds | |
|---------------------|----------------------------------|------------------------|--------------------------|--------------------------|-------------------|----------------|----------------|---------------|-------------|---------------|-------------|-------------|
| | | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 | 2007 | 2005 | 2006 |
| SB 1211 | | (Unknown) | (Unknown) | (Unknown) | | | | \$0 | (\$877,946) | (\$1,057,766) | (Unknown) | (Unknown) |
| | Highway | | | | Unknown | Unknown | Unknown | | | | | |
| | State Legal Expense | | | | (Unknown) | (Unknown) | (Unknown) | | | | | |
| | Crime Victims' Compensation | | | | \$66,667 | \$80,000 | \$80,000 | | | | | |
| SB 1233, 840 & 1043 | | \$0 | \$2,251,290 | \$4,502,580 | | | | \$0 | \$0 | \$0 | \$82,336 | \$6,746,922 |
| | Highway | | | | (\$275,061) | \$3,205,161 | \$6,142,384 | | | | | |
| | Insurance Dedicated | | | | \$0 | \$0 | (\$65,714) | | | | | |
| | Motor Vehicle Dealer | | | | \$71,500 | \$0 | \$0 | | | | | |
| | RR Grade Crossing | | | | \$0 | \$14,859 | \$29,718 | | | | | |
| | Conservation Tax | | | | \$0 | \$245,856 | \$491,711 | | | | | |
| | Prop C | | | | \$0 | \$750,430 | \$1,500,860 | | | | | |
| | State Parks | | | | \$0 | \$98,343 | \$196,685 | | | | | |
| | Parks/Soil | | | | \$0 | \$98,343 | \$196,685 | | | | | |
| SB 1235 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1242 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1243 | | \$0 | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | (Unknown) | (Unknown) |
| SB 1247 | | \$0 | 0 | 0 | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| | State Legal Expense | | | | (Unknown) | (Unknown) | (Unknown) | | | | | |
| | Conservation | | | | (Unknown) | (Unknown) | (Unknown) | | | | | |
| SB 1249 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1250 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1253 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1259 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1274 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1279 | | (\$490,739) | (\$536,824) | (\$550,587) | | | | \$0 | \$0 | \$0 | (Unknown) | (Unknown) |
| | Infection Control Advisory Panel | | | | \$0 to Unknown | \$0 to Unknown | \$0 to Unknown | | | | | |
| SB 1285 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1299 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1302 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1304 (V) | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1320 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1329 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1331 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1365 | | \$0 to (Unknown) | \$0 to (Unknown) | \$0 to (Unknown) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SB 1394 | | \$1,637,553 to Unknown | (\$2,271,381 to Unknown) | (\$2,271,381 to Unknown) | | | | \$0 | \$0 | \$0 | (Unknown) | (Unknown) |
| | Blind Pension | | | | \$0 | (Unknown) | (Unknown) | | | | | |
| | Highway | | | | (\$21,440) | \$0 | \$0 | | | | | |
| | School District Trust | | | | Unknown | Unknown | Unknown | | | | | |
| | Conservation | | | | Unknown | Unknown | Unknown | | | | | |
| | State Soil & Water | | | | Unknown | Unknown | Unknown | | | | | |
| | State Parks | | | | Unknown | Unknown | Unknown | | | | | |
| TOTALS* | | (\$19,047,992) | (\$37,398,358) | (\$60,039,329) | \$1,535,941 | \$7,306,216 | \$9,075,170 | \$0 | (\$877,946) | (\$1,057,766) | (\$165,940) | \$6,498,646 |

* Totals do not include unknown figures.

** The Department of Social Services has indicated that the cost for SB 1123 will be greater than originally anticipated due to updated figures.

SB 1099 – TAX CREDIT ACCOUNTABILITY

The major provisions in SB 1099 are listed below.

The Joint Committee on Tax Policy reviews each tax credit program audit conducted by the State Auditor's Office and recommends to the General Assembly future action on the audited tax credit.

The Attorney General is added to the information disclosure list, resulting in the Department of Revenue providing pertinent information to the Attorney General on pending tax credit investigations.

Reporting requirements and other important information-gathering tools are implemented to assist the General Assembly with evaluating tax credits.

Provides that tax credit applicants not have any delinquent taxes with the state.

Eliminates the Missouri Higher Education Scholarship Tax Credit and the Advantage Missouri Program Tax Credits effective January 1, 2005.

Application information becomes subject to the Sunshine Law once the tax credit is approved.

All departments administering tax credit programs, not just the Department of Economic Development, shall conduct a benefit cost analysis of each administered tax credit program.

Broadens the powers of the Department of Economic Development when entering into agreements under discretionary tax credit programs, including expanded recapture provisions for failure by tax credit applicants to live up to the signed agreements.

The fiscal impact of SB 1099 includes 1.00 FTE in the Department of Revenue, 1.00 FTE in the Department of Economic Development and programming costs totaling \$235,902 General Revenue in FY 2005 (10 months), \$102,098 GR in FY 2006, and \$104,694 GR in FY 2007.

Nursing Home Rebasing – SB 1123

SB 1123 requires the Department of Social Services' Division of Medical Services to annually recalculate the Medicaid nursing home reimbursement amount for all Missouri facilities over three state fiscal years in three separate payments beginning July 1, 2004. The Department shall recalculate the class ceilings for ancillary services (120% of the median), patient care (120% of the median), and administration (110% of the median) with each facility receiving one-third of the unpaid amount.

Each facility shall receive a rate increase of 1/3 the amount that is underpaid with a three year transition period. For Fiscal Year 2005, beginning on July 1, 2004, the Department shall re-determine the allowable per patient day costs for each facility, using the adjusted costs in the Medicaid cost report for the fiscal year ending in 2001. Estimated FY 05 Fiscal Impact: (\$16,740,724) GR

For Fiscal Year 2006, beginning on July 1, 2005, the Department shall perform the same calculations, but shall use the adjusted costs for the fiscal year ending in 2002. Estimated FY 06 Fiscal Impact: (\$38,379,401) GR

For Fiscal Year 2007, beginning on July 1, 2006, the Department shall perform the same calculations using the adjusted costs for the fiscal year ending in 2003. For July 1, 2007, each facility shall receive a full recalculation based upon its 2004 Medicaid cost report of adjusted costs. Estimated FY 07 Fiscal Impact: (\$65,151,530) GR

Note: The Department of Social Services has indicated that the cost for SB 1123 will be greater than originally expected due to updated figures from new cost reports.

SB 1394 – REVISES VARIOUS TAX COLLECTION LAWS

The major provisions in SB 1394 are listed below.

Allows for the revocation of a retail sales tax license when an employer fails to pay withholding taxes. ESTIMATED FY05 IMPACT: \$5,400,000 to \$10,800,000 GR.

Allows a negative federal income to be reported on the Missouri income tax return in certain circumstances for tax years ending on or after December 31, 2002. ESTIMATED FY05 IMPACT: (\$2,275,381 to Unknown) GR.

Expands the definition of "eligible industry" as it relates to the Business Use Incentives for Large-Scale Development (BUILD) Program to include a tax preparation company headquartered in Kansas City as long as the company creates 100 new jobs for eligible employees and invests at least \$15 million in an economic development project. The cap for the tax credit is increased from \$11 million to \$11,950,000 for the benefit of the tax preparation company headquartered in Kansas City. ESTIMATED FY05 IMPACT: (\$950,000) GR.

Changes the cap on the tax credit for an accredited film or video production produced in Missouri from \$500,000 to \$1 million per taxpayer, per year, and total credits will not exceed \$500,000 per year. ESTIMATED FY05 IMPACT: (\$500,000) GR.

Summary provided by Senate Research

Section V

TOPICS OF INTEREST

BASICS OF THE FOUNDATION FORMULA

WHAT IS “EQUITY”?

The formula is commonly referred to as an “equity-based” formula. There are a variety of opinions about what “equity” can and does mean. Missouri’s current formula looks at “equity” from the student’s point of view. That is, it attempts to equalize the amount of money available to educate each student regardless of fund source. Often equity is discussed from the taxpayer’s perspective. That is, one may look to equalize *state* funding per student, or *local* funding per student. Missouri’s current formula looks to provide a certain amount of money per student, per penny of tax rate and it makes no difference where the money comes from. If the district has a great deal of local revenue per student, the formula will call for very little state money. If the district has very little local revenue per student, the formula will call for more state money.

The foundation formula is basically a mathematical equation established in law to determine the distribution (not the amount) of state money for elementary and secondary education. Various data elements are plugged into this equation on an annual basis to determine the amount of funding for each district. These annual variables include, among others, the level of state appropriations, each district's average daily attendance, local tax levy, and assessed valuation. If the total dollar amount appropriated allows for a proration factor of 1.0, the formula is considered "fully funded."

Shown at its most basic level, this equation could read:

A - B = C where

- A = the district's total entitlement
- B = local revenue
- C = state appropriations

Generally speaking, the formula calculation uses a 6-step process. (Please refer to example calculation sheet to aid in the explanation.)

STEP 1 – District Entitlement (lines 1a & 1b)

These lines calculate how much money (from combined state and local sources) a district is entitled to per child. Each district is entitled to the same amount per child, per penny of local tax rate. The Line 1 total represents the total amount that district is to have available for that fiscal year.

EXAMPLE – this district’s total entitlement is \$11,180,914

STEP 2 – Deductions (lines 2a, 2b & 3 through 10)

These lines calculate how much money the district is expected to receive from local and dedicated sources. These include local property taxes, Prop C sales tax funds, cigarette tax funds (Fair Share), and other miscellaneous sources.

EXAMPLE – this district’s total deductions (local revenue) are \$6,953,726.

STEP 3 – Basic Formula

The difference between the line 1 total (entitlement) and the line 10 (deductions) is the state’s share.

EXAMPLE – this district’s basic formula (state funding) amount is \$4,227,188.

Note: In some cases, the total deductions (local revenue) exceed the entitlement, meaning the district receives more local money than called for in the entitlement. These districts are “hold harmless” districts and receive state money on a different basis (see below).

STEP 4 – At-Risk (line 14A & B)

All districts are eligible for additional state money based on the number of students eligible for free and reduced price lunch under the federal guidelines. This portion of the formula has its roots in the settlement of the desegregation case in St. Louis.

EXAMPLE – This district has 781 students eligible for free and reduced price lunch. The line 14 calculations indicate an additional \$726,281 for this district.

STEP 5 – District Apportionment (line 1 – line 10 + line 14)

The entitlement amount, less the deductions, plus the at-risk amount equals to total amount of state funding for the district.

EXAMPLE – This district’s apportionment is \$4,953,469, or \$1,995.01 per eligible pupil.

EXAMPLE FORMULA CALCULATION

| | |
|---|--------------------|
| EXAMPLE DISTRICT | 6-15- 2004 |
| 1. DISTRICT ENTITLEMENT | |
| A. EP * OPER LEVY (MAX 2.75) * GTB/100 * PRORATION FACTOR | 9,227,066 |
| $2,482.93 * 2.750000 * 1,470.22 * 0.91914518$ | |
| B. EP * OPER LEVY (ABOVE 2.75) * GTB/100 * PRORATION FACTOR | 1,953,848 |
| $2,482.93 * 0.615817 * 1,470.22 * 0.86914518$ | |
| LINE 1 TOTAL (LINE 1A + 1B) | 11,180,914 |
| 2. DEDUCTIONS - PRIOR YEAR | |
| A. LESSOR OF 12/31/1994 AV OR AVG. DEC 31 AV * INCOME FACTOR * EQUAL OPER LEVY | 3,461,922 |
| $110,685,586 * 0.9611 * 3.254300$ | |
| B. AVG. 12/31 AV - 12/31/94 AV * INCOME FACTOR * EQUAL OPER LEVY | 1,573,720 |
| $161,001,034 - 110,685,586 * 0.9611 * 3.254300$ | |
| LINE 2 TOTAL (LINE 2A + LINE 2B) | 5,035,642 |
| 3. INTANGIBLE TAXES, FINES, IN LIEU OF TAX | 203,920 |
| 4. STATE ASSESSED RAILROAD AND UTILITY | 565,103 |
| 5. FEDERAL PROPERTIES | 0 |
| 6. FEDERAL IMPACT AID - 50,000 * 90% | 0 |
| 7. PROPOSITION C * .50 | 867,407 |
| 8. FAIR SHARE | 61,701 |
| 9. FREE TEXTBOOK | 219,953 |
| 10. TOTAL DEDUCTIONS (SUM OF LINES 2-9) | 6,953,726 |
| BASIC FORMULA (LINE 1 - LINE 10) | 4,227,188 |
| 14. FREE & REDUCED LUNCH - AT RISK | |
| A. F & R LUNCH COUNT * FACTOR * GTB/100 * OPER LEVY (MIN 2.75) * PRORATION FACTOR | 577,621 |
| $781.00 * .20 * 1,470.22 * 2.750000 * 0.91463400$ | |
| B. F & R LUNCH COUNT * FACTOR * GTB/100 * OPER LEVY (ABOVE 2.75) * PRORATION FACTOR | 148,660 |
| $781.00 * .30 * 1,191.63 * 0.615817 * 0.86463400$ | |
| LINE 14 TOTAL (LINE 14A + 14B) | 726,281 |
| A. DISTRICT APPORTIONMENT (LINE 1 - LINE 10 + LINE 14) | 4,953,469 |
| B. 2003-2004 DISTRICT APPORTIONMENT PER EP (INCLUDES LINE 14) | 1,995.00953 |

EP – eligible pupil.

GTB – guaranteed tax base. The amount of assessed valuation per EP guaranteed each school district by the state in computation of state aid.

AV – assessed valuation.

STEP 6 – DETERMINATION OF HOLD HARMLESS STATUS

The law provides that no district shall receive less money per pupil from the state than it did during the 1992-3 school year (when the new formula became

law). This 1992-3 amount is now adjusted per SB 781 to include additional funds related to free and reduced price lunch students.

There are two separate calculations used in determining a hold harmless amount to be compared to the basic formula amount. The first (Option I) takes the 1992-3 per pupil amount and makes an addition based on the growth in line 14 students since 1997-8. The second (Option II) makes an addition based on the proportion of line 14 students to the total student body, assuming that the basic formula number is greater than 0. In either option the amount cannot go below the 1992-3 per pupil amount.

EXAMPLE – This district’s basic formula amount per EP is \$1,995.01

Hold harmless Option I amount is \$1,174.86; Option II amount is \$1,429.97

Thus, this district is not a hold harmless district and will receive its actual formula amount - \$1,995.01 per eligible pupil.

| | | | |
|---|---|------------------------------------|--------------------------|
| B. 2003-2004 DISTRICT APPORTIONMENT PER EP (INCLUDES LINE 14) | | | 1,995.00953 |
| C. HOLD HARMLESS | | | |
| OPTION I: | | | |
| (1992-1993/EP) | + | (LINE 14A + LINE 14B 2003-2004) | (LINE 14 1997- 1998) |
| | | ----- | ----- |
| | | (EP 2003-2004) | (EP 1997-1998) |
| 1054.30799 | + | (577,621 + 148,660) | 383,995 |
| | | ----- | ----- |
| | | 2,482.93 | 2,233.07 |
| OPTION II: | | | |
| (1992-1993/EP) | + | (LINE 1 - LINE 10/EP 2003-2004) | (LINE 14A 2003- 2004) |
| | | ----- | ----- |
| | | (EP 1992-1993) | (EP 2003-2004) |
| 1054.30799 | + | (4,227,188 / 2,482.93) | 577,621 |
| | | ----- | ----- |
| | | 1054.30799 | 2,482.93 |
| D. 2003-2004 PAYMENT AMOUNT PER EP (INCLUDES LINE 14 PER EP) | | | 1,995.00953 |

Missouri Transportation Funding

Ever since Missouri began building roads, every legislature has had to face the issue of how to pay for new roads and to maintain the current ones. Over the years, Missouri has passed various motor fuel taxes and even issued bonds to pay for Missouri's roads. Historically, Missouri has primarily relied upon motor fuel taxes and user fees, such as registration fees and drivers' license fees, to pay for highways. The current funding for transportation is detailed in the paragraphs below and also on the flow chart that follows.

Motor Fuel Tax

The Missouri state fuel tax was originally enacted in 1924. Since then, the fuel tax has risen from 2 cents to 17 cents per gallon by the legislative process and by referendum. In 1987, Missouri voters approved a road and bridge program (Proposition A) that increased the motor fuel tax from 7 to 11 cents per gallon and increased heavy truck registration fees 10 percent. In the 1992 session the General Assembly passed HB 1247 which increased the motor fuel tax by 2 cents in 1992, 1994, and 1996, increasing the total motor fuel tax from 11 cents to 17 cents.

Sales and Use Tax on Motor Vehicles

In 1979, Article IV, Section 30(b) of the Missouri Constitution was amended to add sections 30(b)2 and 30(b)3. Section 30(b)2 provides that one-half of the proceeds from the state sales tax on motor vehicles is to be dedicated for highway and transportation use and distributed as follows: 10% to counties, 15% to cities, 1% to the State Transportation Fund and 74% to the State Road Fund. Section 30(b)3 provides that any increase in state license fees and taxes on motor vehicles is to be distributed as follows: 10% to counties, 15% to cities, and 75% to the State Road Fund. At the time of the adoption of amendment, the general sales tax was 3%; however, the adoption of Proposition C (effective January 1, 1983) increased the general sales tax by 1% to 4%. This increase is viewed as increase in taxes on motor vehicles under Section 30(b)2 and results in a slightly different distribution of the increase.

Motor Vehicle License, Driver's License and Other Fees

Annual motor vehicle license fees are based on horsepower in the case of passenger vehicles and on weight and region of operation in the case of trucks. License fees vary from \$18.00 to \$51.00 for passenger vehicles and from \$15.50 (for local trucks 6,000 pounds and under) to \$1,719.50 (for beyond local trucks over 78,000 pounds) for trucks. Driver's license fees range from \$15.00 for a standard license to \$40.00 for a commercial driver's license. Additional revenue is also derived from miscellaneous other fees such as safety inspection decal fees, overweight and overdimension permit fees and truck regulation fees. Motor vehicle license, driver's license and other similar user fees are deposited in the State Highways and Transportation Department Fund, except that, pursuant to Section 30(b)3 of the Missouri Constitution, any increases in such fees after January 1, 1980, are allocated as follows: (a) 75% to the State Road Fund and (b) 25% to counties and cities.

Cost of Collection

Under Article IV, Section 30(b) of the Missouri Constitution and Section 142.345, RSMo, the actual costs of collecting the motor fuel tax are transferred to the State Highways and Transportation Department Fund for reimbursement by appropriation to the agencies incurring the costs. These costs and the costs of collecting other state revenues from highway users, which consist primarily of compensation and other operating expenses and miscellaneous capital expenses, are appropriated to the Department of Revenue and various state agencies by the General Assembly from the State Highways and Transportation Department Fund. The amount appropriated from this fund was capped at the fiscal year 2001 level.

Cost of Administering or Enforcing State Motor Vehicle Laws or Traffic Regulations

Under Article IV, Section 30(b) of the Missouri Constitution, the costs for enforcing our motor vehicle and traffic laws are paid by appropriation from the State Highways and Transportation Department Fund to the Department of Public Safety. Appropriations for these costs are subject to the 2001 fiscal year limitations.

Motor Fuel Tax Refunds

Article IV, Section 30(a) of the Missouri Constitution imposes a tax only on fuel used for propelling highway motor vehicles. Under section 142.806, all undyed motor fuel is presumed to be used on the highways of the state to propel motor vehicles. Section 142.824, however, provides a method for claiming a refund of fuel tax paid on fuel, which is not used for propelling highway motor vehicles. Section 142.345 provides that the amount of the tax collected with respect to fuel not used for highway purposes is to be transferred to the State Highways and Transportation Department Fund to be refunded. Most of the refunds are for refunds under the International Fuel Tax Agreement (IFTA), which compensates states for fuel bought in one state but used in another. An amount is appropriated each fiscal year by the General Assembly to the Department of Revenue for making these refunds.

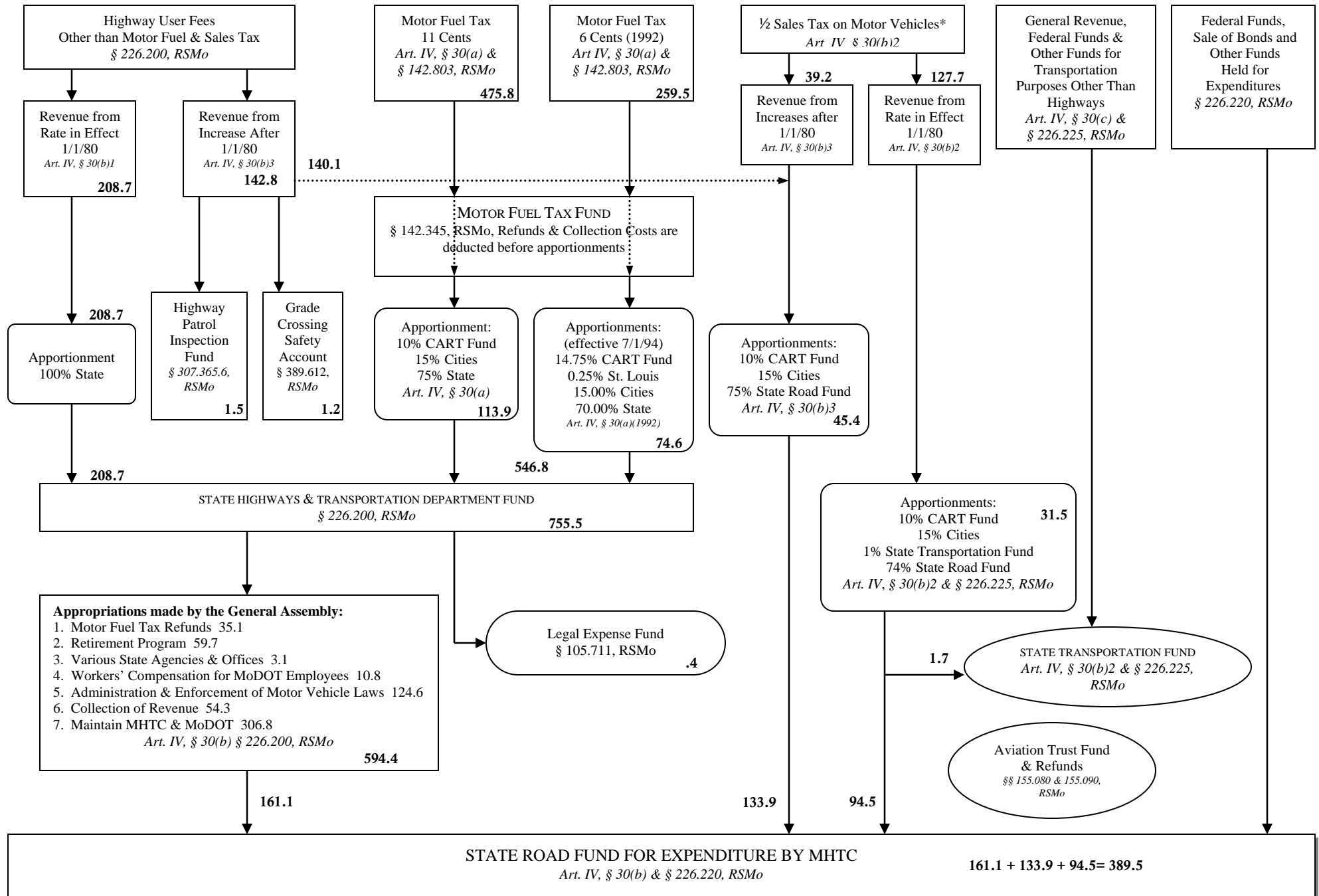
Allocation of Motor Fuel Tax to Counties and Cities

Pursuant to Article IV, Section 30(a) of the Missouri Constitution, the remaining net proceeds of the motor fuel tax (after deducting costs of collection, apportionment and making refunds) is apportioned between the counties, cities and the state and stands appropriated without General Assembly action. The net proceeds of the motor fuel tax (the 11 cent portion) is distributed as follows: 10% to the County Aid Road Trust Fund (CART) for allocation among the various counties, 15% to the various cities and 75% to the state. The six-cent portion of the motor fuel tax is distributed as follows: 14.75% to the CART Fund, .25% to the City of St. Louis, 15% to the cities and 70% to the state.

Fiscal Year 2004
(millions of dollars)

MISSOURI DEPARTMENT OF TRANSPORTATION FUNDING

Current Flow of Funds



*Currently, all motor vehicle sales tax is being distributed 74% State Road Fund, 1% State Transportation Fund, 15% Cities, and 10% CART Fund

Cap on Highway Fund Appropriations To Non-Highway Agencies

Legislation (SB 135, 63) authorizing a 4-cent motor fuel tax increase effective July 1, 1987, established a cap on expenditures from the Highway Fund by other non-highway agencies (§226.200 (3) RSMo). The cap was set at the FY 87 expenditure level and was approximately \$119.6 million. The bill required that when expenditures from the Highway Fund exceeded the cap, the fund must be reimbursed from General Revenue the next fiscal year.

The motor fuel tax increased to six cents in 1992 with the passage of HB 1247, in which the fixed ceiling of \$119.6 million was changed to a flexible ceiling (\$142.372 RSMo). Therefore, the growth in funds allocated to non-highway agencies could increase by the same percentage as the overall increase in state highway revenue sources.

During the 2000 legislative session, the passage of House Bill 1742, re-established a fixed cap (§ 226.200 RSMo). This action will require the reimbursement of General Revenue funds to the Highway Fund when expenditures exceed the FY 01 level of expenditures.

During the 2002 legislative session, the passage of House Bill 1196 provides for the removal of the cap beginning in fiscal year 2004 for the Mo. State Highway Patrol for enforcement related activities, and actual costs incurred by the Office of Administration for or on behalf of the Patrol and employees within the Department of Transportation. In addition, beginning in fiscal year 2008, any activities of the Patrol that are not related to the enforcement of laws pertaining to motor vehicle and usage of the highways shall be supported with general revenue, or other applicable funding sources. This legislation also maintains a cap, which is set at the fiscal year 2001 level for the Department of Revenue, and other non-highway related agencies that are currently authorized to receive funding support from the State Highways and Transportation Department Fund.

The Department of Public Safety and Department of Revenue utilize a significant portion of Highway Fund revenue allocated for non-highway related purposes. The Department of Public Safety is compensated for patrolling the state's highways. Likewise, the Department of Revenue is compensated for implementing state motor vehicle and driver statutes. Other agencies receive Highway Fund revenue for work that relates to the state's highway system.

A proposed constitutional amendment, which is on the November 2004 ballot, changes the distribution of highway funds to non-highway agencies. The amendment would:

- Cap the Department of Revenue's cost of collection at 3% of the amount of highway funds collected.
- Cap the Highway Patrol's use of highway funds to actual costs, not to exceed 10.5% of highway funds in any fiscal year.
- Redirects the 50% of the motor vehicle sales tax that goes to general revenue to the State Road Bond Fund over a four-year period beginning July 1, 2005.

COURT ORDERED DESEGREGATION AGREEMENT FISCAL YEAR 2005

Certain state payments formerly made to the Kansas City and St. Louis school districts under court order have been reallocated pursuant to the provisions of SB 781 (1998), Section 162.1060 RSMo, and the terms of the 1999 settlement agreement in the St. Louis Desegregation case (Liddell v. the Board of Education of St. Louis City). In prior years, the state was required to expend moneys in order to improve the quality of education in St. Louis and Kansas City, in order to comply with the orders of U.S. District Courts for Eastern and Western Missouri. Prior to 1993, desegregation payments were made pursuant to federal court order and were not appropriated. Subsequently, these payments have been appropriated to the Department of Elementary and Secondary Education.

The 1999 settlement agreement provides for \$180 million in capital to be paid to the St. Louis Public Schools beginning in FY 2000. Payments are to be made as follows:

| | | | |
|--------------|----------------|--------------|----------------|
| July 1, 1999 | \$28.5 million | July 1, 2005 | \$13.0 million |
| July 1, 2000 | \$25.0 million | July 1, 2006 | \$12.0 million |
| July 1, 2001 | \$20.0 million | July 1, 2007 | \$11.0 million |
| July 1, 2002 | \$20.0 million | July 1, 2008 | \$10.0 million |
| July 1, 2003 | \$16.5 million | July 1, 2009 | \$9.0 million |
| July 1, 2004 | \$15.0 million | | |

A total of \$50 million was paid to the Voluntary Inter-District Choice Corporation in two payments. The first payment was made in fiscal year 2000 and the second payment in fiscal year 2001.

Listed below, are the expenditures of the St. Louis Desegregation Plan and the Kansas City Desegregation Plan that were mandated by court order. The following information is as of June 30, 2004.

St. Louis Desegregation Plan

| <u>Fiscal Year</u> | <u>Appropriation</u> | <u>Expenditure</u> | <u>Lapse</u> |
|--------------------|----------------------|--------------------|--------------|
| 2004 | \$16,500,000 | \$16,500,000 | \$ 0 |
| 2003 | 20,000,000 | 20,000,000 | 0 |
| 2002 | 20,000,000 | 20,000,000 | 0 |
| 2001 | 50,000,000 | 50,000,000 | 0 |
| 2000 | 53,500,000 | 53,476,585 | 23,415 |
| 1999 | 191,862,972 | 188,799,736 | 3,063,236 |
| 1998 | 158,800,000 | 147,021,949 | 11,778,051 |
| 1997 | 151,700,000 | 138,086,852 | 13,613,148 |
| 1996 | 153,700,000 | 148,291,471 | 5,408,529 |
| 1995 | 155,700,000 | 139,258,397 | 16,441,603 |
| 1994 | 147,600,000 | 134,202,695 | 13,397,305 |
| 1993 | 147,100,000 | 136,028,438 | 11,071,562 |
| 1992 | 144,600,000 | 137,189,737 | 7,410,263 |
| 1991 | 135,200,000 | 132,695,771 | 2,504,229 |
| 1981-1990 | 674,980,490 | 616,269,820 | 58,710,670 |

Kansas City Desegregation Plan

| <u>Fiscal Year</u> | <u>Appropriation</u> | <u>Expenditure</u> | <u>Lapse</u> |
|--------------------|----------------------|--------------------|--------------|
| 1999 | \$ 99,000,000 | \$ 97,532,435 | \$ 1,467,565 |
| 1998 | 132,737,856 | 132,737,852 | 4 |
| 1997 | 110,300,000 | 89,042,565 | 21,257,435 |
| 1996 | 168,200,000 | 125,591,973 | 42,608,027 |
| 1995 | 203,200,000 | 175,045,453 | 28,154,547 |
| 1994 | 196,850,000 | 143,290,085 | 53,559,915 |
| 1993 | 209,600,000 | 139,789,109 | 69,810,891 |
| 1992 | 191,400,000 | 159,334,336 | 32,065,664 |
| 1991 | 157,900,000 | 141,063,712 | 16,836,288 |
| 1986-1990 | 376,760,000 | 331,555,932 | 45,204,068 |

SOURCE: State of Missouri, Appropriation Activity Report

The fiscal year 1998 Kansas City Desegregation figures reflect moneys that were placed in escrow during fiscal year 1997 but not applied until fiscal year 1998.

RECENT LITIGATION

As of August 1, 2004 there are two issues currently being litigated that could impact the St. Louis desegregation settlement. The district has asked for and received permission to use its state appropriated desegregation funding for the purpose of managing cash flow in the operating budget. There was litigation on the issue of whether the district could repay the desegregation fund over multiple years or would have to repay the fund by the end of the same fiscal year. The court has allowed a multiple year repayment.

The district has also filed suit claiming that the amount of funding appropriated through the foundation formula in FY 2003 and FY 2004 are below the minimum levels provided for the settlement agreement. The Circuit Court found in favor of the district in early July 2003. As of August 2004, hearings on damages and/or appeals have not taken place.

STATE EMPLOYEE PAY PLAN HISTORY

FY 1991 – FY 2005

The pay plan is created by the Personnel Advisory Board (PAB) and reviewed by the Ad Hock Task Force on Total Compensation. The task force recommendations are integrated into a final plan the PAB submits to the Governor's office and to Budget and Planning. The Governor makes a final recommendation to be reviewed by the legislature.

| Fiscal Year | Date Implemented | Description | Positions Under Salary Commission |
|--------------------|-------------------------|--|---|
| FY 2005 | July 1, 2004 | \$1,200/year beginning July 1, 2004 for all employees Exceptions No salary increases beyond \$1,200 for Probation and Parole employees who had received salary increases in December 2003 | NONE |
| FY 2004 | July 1, 2003 | \$600/year beginning July 1, 2003 for employees with an annual salary not greater than \$40,000 | NONE |
| FY 2003 | July 1, 2002 | No pay plan was offered | NONE |
| FY 2002 | July 1, 2001 | No pay plan was offered Exceptions <ul style="list-style-type: none"> • 2% Increase for those classified as direct care staff working in State Habilitation Centers (Department of Mental Health) and for those classified as Psychiatric Aides I and II in State Mental Hospitals • Repositioning of those from ranges 3 and 4 to range 5 (Referred to as Basic Living Wage Reposition) Typical job titles include: Laundry, Janitorial, Custodial, and Food Service Worker | NONE |
| FY 2001 | July 1, 2000 | \$600/year beginning July 1, 2000 1 step within grade (2%) July 1, 2000 \$420/year beginning January 1, 2001 | Judges - \$3,000 per year July 1, 2000 Elected Officials, General Assembly – \$300/year July 1, 2000 1 step within grade (1%) July 1, 2000 \$210/year January 1, 2001 Exceptions <ul style="list-style-type: none"> • Department of Social Services frontline positions (Social Service Worker I & II, Caseworker, Self-Sufficiency Casemanager, Social Service Supervisor and Income Maintenance Supervisor) requiring a college degree or equivalent experience will receive a one range repositioning (approximately 4% increase) in lieu of the 1 step within grade and will receive the \$600 and \$420 COLAS. |

| Fiscal Year | Date Implemented | Description | Positions Under Salary Commission |
|------------------------|-----------------------------|--|--|
| FY 2001 cont. | | <ul style="list-style-type: none"> • Veteran's home' nursing aides will receive the general pay plan with adjustments to equalize the starting salary for Nursing Aide I's to be \$16,716 and to equalize the starting salary of Nursing Aide II's to be \$19,104. • Water Patrol Officers will receive a one range repositioning (approximately 4% increase) in lieu of the 1 step within grade and will receive the \$600 and \$420 COLAS. • Highway Patrol Officers will receive the state pay plan plus varying adjustments to create their own pay grid. | |
| FY 2000 | July 1, 1999 | 1% COLA Up to 2 step within grade (about 4%) | Judges – Salary based on Salary Commission Recommendation General Assembly – 5% Elected Officials – 5% - except Lt. Gov. which was based on Commission recommendation ALL INCREASES WERE INITIALLY VETOED, but fully funded Commission recommendation in supplemental appropriation |
| FY 1999 | July 1, 1998 | 1% COLA Up to 2 step within grade (about 4%) | 5% |
| | | \$10 per month flexible benefit | SAME |
| *FY 1998 | July 1, 1997 | 1% COLA Up to 2 step within grade (about 4%) | Judges, Elected Officials, General Assembly - 2.9% |
| | Jan. 1, 1998 | \$10 per month flexible benefit | SAME |
| FY 1997 | July 1, 1996 | 2% COLA Up to 2 step within grade (about 4%) | N/A |
| FY 1996 | July 1, 1995 | 2% COLA 1 step within grade (about 2%) | N/A |
| | Jan. 1, 1996 | \$25 State match for employees in Deferred Compensation Plan. | |
| FY 1995 | July 1, 1994 | 3% plus \$200 COLA | N/A |
| FY 1994 | July 1, 1993 | 1% plus \$400 COLA \$360 additional health insurance contribution | N/A |

| Fiscal Year | Date Implemented | Description | <u>Positions Under Salary Commission</u> |
|------------------------|-----------------------------|--------------------------------------|---|
| FY 1993 | | No pay plan was offered or approved. | N/A |
| FY 1992 | | No pay plan was offered or approved. | N/A |
| FY 1991 | July 1, 1990 | 2% within grade adjustment | N/A |

*FY 1998 was the first year that the Salary Commission made a recommendation. Previously, Elected Officials, Judges, and the General Assembly received pay increases equal to that of state employees.

WHERE DOES MISSOURI RANK?

| Per Capita Personal Income National Per Capita = \$31,632 2003 | | | Per Capita State Tax Revenue National Per Capita = \$1,884 2003 | | | State Tax Revenue as a % of Personal Income National = 5.94% - 2003 | | |
|--|----------------|------------|---|----------------|------------|---|----------------|---------|
| Rank | State | Per Capita | Rank | State | Per Capita | Rank | State | Percent |
| 1 | Connecticut | 43,173 | 1 | Hawaii | 2,838 | 1 | Hawaii | 9.18% |
| 2 | New Jersey | 40,427 | 2 | Connecticut | 2,730 | 2 | Vermont | 8.19% |
| 3 | Massachusetts | 39,815 | 3 | Minnesota | 2,649 | 3 | West Virginia | 8.13% |
| 4 | Maryland | 37,331 | 4 | Delaware | 2,602 | 4 | Delaware | 7.92% |
| 5 | New York | 36,574 | 5 | Vermont | 2,518 | 5 | Arkansas | 7.77% |
| 6 | New Hampshire | 34,702 | 6 | Wyoming | 2,429 | 6 | Kentucky | 7.70% |
| 7 | Minnesota | 34,443 | 7 | Massachusetts | 2,427 | 7 | Minnesota | 7.69% |
| 8 | Colorado | 34,283 | 8 | New Jersey | 2,308 | 8 | New Mexico | 7.53% |
| 9 | California | 33,749 | 9 | Michigan | 2,257 | 9 | Michigan | 7.41% |
| 10 | Illinois | 33,690 | 10 | California | 2,232 | 10 | Wyoming | 7.40% |
| 11 | Virginia | 33,671 | 11 | Wisconsin | 2,227 | 11 | Mississippi | 7.32% |
| 12 | Alaska | 33,568 | 12 | Washington | 2,114 | 12 | Wisconsin | 7.21% |
| 13 | Washington | 33,332 | 13 | New York | 2,114 | 13 | Maine | 7.16% |
| 14 | Delaware | 32,810 | 14 | Rhode Island | 2,097 | 14 | Utah | 6.73% |
| 15 | Wyoming | 32,808 | 15 | Maine | 2,065 | 15 | North Carolina | 6.68% |
| 16 | Pennsylvania | 31,998 | 16 | Kentucky | 2,022 | 16 | Idaho | 6.62% |
| 17 | Rhode Island | 31,916 | 17 | Maryland | 1,993 | 17 | California | 6.61% |
| 18 | Nevada | 31,266 | 18 | West Virginia | 1,983 | 18 | Rhode Island | 6.57% |
| 19 | Hawaii | 30,913 | 19 | Nebraska | 1,925 | 19 | North Dakota | 6.36% |
| 20 | Wisconsin | 30,898 | 20 | New Mexico | 1,924 | 20 | Louisiana | 6.35% |
| 21 | Nebraska | 30,758 | 21 | Arkansas | 1,888 | 21 | Washington | 6.34% |
| 22 | Vermont | 30,740 | 22 | North Carolina | 1,885 | 22 | Connecticut | 6.32% |
| 23 | Florida | 30,446 | 23 | Pennsylvania | 1,875 | 23 | Oklahoma | 6.31% |
| 24 | Michigan | 30,439 | 24 | North Dakota | 1,858 | 24 | Indiana | 6.29% |
| 25 | Ohio | 29,944 | 25 | Nevada | 1,843 | 25 | Nebraska | 6.26% |
| 26 | Kansas | 29,935 | 26 | Kansas | 1,839 | 26 | Montana | 6.25% |
| 27 | Georgia | 29,442 | 27 | Indiana | 1,810 | 27 | Kansas | 6.14% |
| 28 | Texas | 29,372 | 28 | Ohio | 1,806 | 28 | Massachusetts | 6.09% |
| 29 | Oregon | 29,340 | 29 | Virginia | 1,756 | 29 | Ohio | 6.03% |
| 30 | Missouri | 29,252 | 30 | Illinois | 1,750 | 30 | Iowa | 5.92% |
| 31 | South Dakota | 29,234 | 31 | Iowa | 1,719 | 31 | Nevada | 5.89% |
| 32 | North Dakota | 29,204 | 32 | Mississippi | 1,717 | 32 | South Carolina | 5.86% |
| 33 | Iowa | 29,043 | 33 | Idaho | 1,716 | 33 | Pennsylvania | 5.86% |
| 34 | Maine | 28,831 | 34 | Oklahoma | 1,682 | 34 | Arizona | 5.80% |
| 35 | Indiana | 28,783 | 35 | Utah | 1,680 | 35 | New York | 5.78% |
| 36 | Tennessee | 28,455 | 36 | Louisiana | 1,656 | 36 | New Jersey | 5.71% |
| 37 | North Carolina | 28,235 | 37 | Alaska | 1,648 | 37 | Oregon | 5.46% |
| 38 | Arizona | 26,838 | 38 | Montana | 1,620 | 38 | Alabama | 5.41% |
| 39 | Oklahoma | 26,656 | 39 | Oregon | 1,602 | 39 | Maryland | 5.34% |
| 40 | Alabama | 26,338 | 40 | Florida | 1,581 | 40 | Tennessee | 5.30% |
| 41 | Kentucky | 26,252 | 41 | Arizona | 1,557 | 41 | Georgia | 5.25% |
| 42 | South Carolina | 26,132 | 42 | Georgia | 1,544 | 42 | Virginia | 5.21% |
| 43 | Louisiana | 26,100 | 43 | South Carolina | 1,532 | 43 | Illinois | 5.20% |
| 44 | Montana | 25,920 | 44 | New Hampshire | 1,521 | 44 | Florida | 5.19% |
| 45 | Idaho | 25,911 | 45 | Missouri | 1,513 | 45 | Missouri | 5.17% |
| 46 | New Mexico | 25,541 | 46 | Tennessee | 1,508 | 46 | Alaska | 4.91% |
| 47 | Utah | 24,977 | 47 | Colorado | 1,458 | 47 | South Dakota | 4.52% |
| 48 | West Virginia | 24,379 | 48 | Alabama | 1,426 | 48 | Texas | 4.48% |
| 49 | Arkansas | 24,289 | 49 | South Dakota | 1,322 | 49 | New Hampshire | 4.38% |
| 50 | Mississippi | 23,448 | 50 | Texas | 1,316 | 50 | Colorado | 4.25% |

Source: U.S. Bureau of the Census and Bureau of Economic Analysis.

BUDGET RESERVE FUND

Legal Basis: Article IV, Section 27 (a) of the Missouri Constitution

Description: The fund was authorized by constitutional amendment on the November 7, 2000 ballot. The amendment required the transfer of the fund balances from the Cash Operating Reserve Fund and the Budget Stabilization Fund to the newly created Budget Reserve Fund. The Budget Reserve Fund is exempt from the biennial transfer of the balance and earned interest to the General Revenue Fund.

Purpose: The fund can be used for cash flow insufficiencies or budget stabilization.

Cash Flow Insufficiencies – The Commissioner of Administration may transfer amounts from the Budget Reserve Fund to any state fund if the fund balance is insufficient to maintain appropriated levels. Any cash flow transfers must be repaid to the Budget Reserve Fund, with interest, on or before May 15th of the fiscal year.

Budget Stabilization – If the Governor reduces a department's appropriation level due to a revenue shortfall, or if funds are required to assist the state due to a disaster, the Governor may request appropriations from the Budget Reserve Fund.

The General Assembly must approve the request with a two-thirds vote from both houses.

No more than one-half of the fund balance may be appropriated for this purpose at any one time.

A minimum of one-third of the amount appropriated must be repaid, with interest, in each of the three following fiscal years.

Fund Balance Limits: The fund's balance is capped at 7.5% of net general revenue receipts or 10% if approved by the General Assembly for the purpose of increasing the fund balance.

Net general revenue collections are defined as "all revenue deposited into the General Revenue Fund less refunds and revenues originally deposited into general revenue but designated by law for specific distribution or transfer to another state fund."

Excesses above the caps are transferred back to the General Revenue Fund. If the balance is less than 7.5% then the difference stands appropriated and transferred from the General Revenue Fund to the Budget Reserve Fund.

FUND BALANCES AS OF JUNE 30TH OF FISCAL YEAR

| | Budget Stabilization Fund | Cash Operating Reserve Fund | Budget Reserve Fund | TOTAL |
|------|---------------------------------|-----------------------------------|---------------------------|-------------|
| 1985 | 0 | 130,000,000 | 0 | 130,000,000 |
| 1986 | 0 | 139,274,691 | 0 | 139,274,691 |
| 1987 | 0 | 147,031,658 | 0 | 147,031,658 |
| 1988 | 0 | 152,263,244 | 0 | 152,263,244 |
| 1989 | 0 | 163,447,214 | 0 | 163,447,214 |
| 1990 | 0 | 177,694,086 | 0 | 177,694,086 |
| 1991 | 52 | 186,063,790 | 0 | 186,063,842 |
| 1992 | 17,184,602 | 186,984,083 | 0 | 204,168,685 |
| 1993 | 24,722,740 | 193,067,523 | 0 | 217,790,263 |
| 1994 | 36,981,5090 | 202,243,756 | 0 | 239,225,265 |
| 1995 | 23,699,999 | 212,987,699 | 0 | 236,687,698 |
| 1996 | 29,032,747 | 232,375,970 | 0 | 261,408,717 |
| 1997 | 121,444,844 | 245,143,210 | 0 | 366,588,054 |
| 1998 | 128,169,446 | 261,985,315 | 0 | 390,154,761 |
| 1999 | 135,293,029 | 278,468,808 | 0 | 413,761,837 |
| 2000 | 142,777,246 | 293,425,824 | 0 | 436,203,070 |
| 2001 | 0 | 0 | 451,979,500 | 451,979,500 |
| 2002 | 0 | 0 | 469,923,936 | 469,923,936 |
| 2003 | 0 | 0 | 462,371,185 | 462,371,185 |
| 2004 | 0 | 0 | 444,203,058 | 444,203,058 |

Calculation of Total State Revenue

In November, 1980, Missouri citizens approved an amendment to Article X of the Missouri Constitution limiting the amount of tax revenue the State may collect in any fiscal year. The amendment, referred to as the Hancock Amendment, established a ratio between personal income and total state revenues for fiscal year 1981 and used that ratio to set the Total State Revenue (TSR) limit for subsequent years.

The ratio is .056395. For FY 2003, this ratio is applied to the United States Department of Commerce's calculation of Missouri personal income for calendar year 2001 to establish the fiscal year 2003 revenue limit.

The Hancock Amendment defines total state revenues as "all general and special revenues, license and fees, excluding federal funds as defined in the budget message of the Governor for fiscal year 1980-1981." Because the limit is actually on the General Assembly's power of taxation, revenues generated by taxes approved by voters after the adoption of the amendment are excluded from the calculation of TSR. Revenues generated by any agency acting on voter approval, i.e., the Missouri Lottery, are excluded. Also, the calculation excludes refunds of any tax included in TSR.

If in any fiscal year, TSR exceeds the limit by 1% or more, the amount of the excess is to be refunded pro rata based on the taxpayer income tax liability reported on the annual Missouri income tax returns filed in the following year. If the limit is exceeded by an amount of less than 1%, the excess is transferred to the General Revenue Fund.

In any fiscal year, the revenue limit may be exceeded if: the Governor asks the General Assembly to declare an emergency and the nature of the emergency and its cost to the state are clearly specified by the Governor; and the General Assembly declares an emergency by a two-thirds majority vote. The emergency must be declared prior to the expenditure of any "excess" revenue. Refunds resulting from provisions of the amendment cannot be the subject of any request to declare an emergency.

The Hancock Amendment includes further provisions limiting tax increases of political subdivisions and limits state government's flexibility to reduce support or impose new responsibilities on to local governments. This material is beyond the scope of this text. Interested persons should refer to the Missouri Constitution, Article X, §§ 21 and 22.

The Tobacco Master Settlement Agreement Proceeds have been determined by the Office of Administration – Budget and Planning to be recovery costs for Medicaid expenses related to smoking and, therefore, exempted from Total State Revenue. This issue faces a likely court challenge.

It is unlikely that the Hancock Amendment will be triggered in the foreseeable future. The state is currently hundreds of millions of dollars below the refund threshold, and Article X, Section 18(e) of the Missouri Constitution mandates that the people must vote any major tax increase, and therefore it would be excluded from total state revenue.

Article X, Section 18(e) states that in any one year the general assembly shall not increase taxes or fees by more than \$50 million adjusted for growth in Missouri personal income. For 2005 the adjusted limit is approximately \$78 million. If the general assembly increases taxes or fees by more than the limit, the largest tax or fee increases must go to a vote of the people.

BUDGET PROCESS OVERVIEW

STATE OF MISSOURI

I. Department Budget Preparation

- A. State agencies prepare budget requests during summer and fall for the following fiscal year in accordance with guidelines issued by the Office of Administration's Division of Budget and Planning.
- B. Budget requests are submitted to OA-Budget and Planning by October 1. Copies are submitted to the legislature at the same time.

II. Governor Recommends Executive Budget

- A. After analysis by OA-Budget and Planning, the Executive Budget is published in mid-January.
- B. Governor gives State of the State and Budget Message to a Joint Session of the Legislature in the first few weeks of the legislative session in January.
- C. Appropriations Bills, the first twenty House Bills, are introduced by the Chairman of the House Budget Committee to reflect the Governor's recommended budget.

III. House Appropriations Committees Operating Budget Hearings

- A. After introduction, Appropriations Bills are referred to the House Budget Committee for assignment to the appropriate House Appropriations Committee.
- B. Each House Appropriations Committee (General Administration and Transportation, Education and Public Safety, Natural and Economic Resources, Health and Mental Health, and Social Services and Corrections) holds budget hearings in late January or early February for agencies to testify on their budget requests and the Governor's recommendations.

IV. House Action on Emergency and Supplemental Appropriations

- A. House Budget Committee conducts hearings on emergency and supplemental requests for the current year early in the session. Emergency and supplemental appropriations are for unforeseen changes in circumstance in the current fiscal year. The legislature takes action only on the requests recommended by the Governor.
- B. House Budget Committee "marks-up" emergency and supplemental appropriation bills and sends House Committee Substitutes to the full House for action.

V. House Appropriations Committee Operating Budget Recommendations

- A. House Appropriations Committees “mark-up” the operating budgets and staff prepares House Committee Substitute bills to reflect the committee recommendations.
- B. House Appropriations Committee Chairmen present recommendations to the House Budget Committee.

VI. House Budget Committee Acts on Operating Budget

- A. House Budget Committee either accepts House Appropriations Committee recommendations, alters the recommendations, or rejects the recommendations with instructions for the House Appropriations Committee to reconsider the proposed budget.
- B. House Committee Substitute Appropriations bills as approved by the House Budget Committee are sent to the full House or Representatives with a committee recommendation.

VII. House Floor Action on Operating Budget

- A. All appropriations bills for the operating budget are brought before the House of Representatives.
- B. House Committee Substitute (or House Substitute) bills as perfected by amendment and floor vote are sent to the Senate, usually with one-third of the session remaining.

VIII. House Action on Capital Budget

- A. House Budget Committee conducts hearing and “marks-up” capital budget for recommended House Committee Substitute Bills. The capital budget uses a biennial appropriations process for major, multiyear projects. During the second year of the biennium, funding is provided for critical projects not envisioned at the time of the adoption of the biennial budget.
- B. Full House passes House Committee Substitute (or House Substitute) bills and sends to the Senate.

IX. Senate Appropriations Committee Operating Budget Hearings

- A. Senate Appropriations Committee conducts budget hearings and reviews in late January.
- B. Senate Appropriations Committee “marks-up” operating budget, prepares recommendations, and staff prepares summaries of action for presentation to the full Senate.

X. Senate Appropriations Committee Action

- A. Senate Appropriations Committee conducts hearings and “marks-up” emergency and supplemental appropriations to prepare Senate Committee Substitute for House Committee Substitute appropriations bill on emergency and supplementals.
- B. Senate Appropriations Committee conducts hearings and “marks-up” capital budget for Senate Committee Substitute bills.

XI. Senate Action on Appropriations

- A. Full Senate either adopts Senate Committee Substitutes, amends Senate Committee Substitutes, or adopts Senate Substitute bills for appropriations on emergency and supplemental, operating, and capital budgets.
- B. The Senate returns the appropriation bills to the House of Representatives for acceptance or for the House to make a request for conference to settle differences.

XII. Conference Committee(s) on Appropriations

- A. Conference Committees, consisting of five (5) members from the House of Representatives and five (5) members from the Senate, meet to achieve compromises, settle differences and adopt Conference Committee Substitute appropriations bills.
- B. Conference Committee bills are then returned to the full House and Senate to be Truly Agreed to and Finally Passed.

XIII. Governor’s Line-Item Veto

- A. Truly Agreed To and Finally Passed appropriations bills are sent to the Governor for signature.
- B. Governor either signs an appropriations bill, vetoes entire bill, or line-item vetoes part or all of sections or lines in the bill. Appropriations for payment of principal and interest on public debt and appropriations for free public schools cannot be vetoed under the Missouri Constitution. The Governor must act before July 1 and on that date the appropriated moneys may be expended.

XIV. Governor's Control Over Expenditure Rates

- A. Governor controls the rate of expenditure against appropriations through the allotment process.
- B. An initial reserve plan is the statutorily required 3% withholding on appropriations to be expended upon approval of the Governor.
- C. Governor may further withhold funds to reduce expenditures below appropriations whenever actual revenues are less than estimates on which the appropriations are based.

XV. Legislative Override of Governor's Veto

- A. Legislature may override Governor's veto of bill or line-item by a two thirds majority in both the House and Senate during the following legislative veto session held in September.
- B. Process begins again.

Calendar of Floor Action on FY 2005 Appropriation Bills

92nd General Assembly, 2nd Regular Session

- January**
- 7** 92nd General Assembly, 2nd Regular Session begins
 - 21** State of the State Address – Executive Budget presented
 - 27** House Introduced/Read First Time – HBs 1001; 1014
- February**
- 5** House Introduced/Read First Time – HBs 1002 - 1010; 1012
 - 9** House Introduced/Read First Time – HB 1011
- March**
- 11** House Floor Action/Third Read & Passed – HCS/HB 1014
 - 11** Senate Introduced/Read First Time – HCS/HB 1014
 - 17** Senate Floor Action/Third Read & Passed – SCS/HCS/HB 1014
 - 19** **March 19 – March 26 - Spring Break**
- April**
- 6** House/Senate Floor Action – TAFP CCS/SCS/HCS/HB 1014
 - 7** House Floor Action/ Third Read & Passed – HB 1001; HS/HCS/HBs 1002 – 1012
 - 7** Senate Introduced/Read First Time – HB 1001; HS/HCS/HBs 1002 – 1012
 - 8** House Introduced/Read First Time – HB 1021
 - 9** **April 9 – April 12 – Easter Break**
 - 20** Senate Floor Action/TAFP – HB 1001
 - 20** Senate Floor Action/Third Read & Passed – SCS/HS/HCS/HB 1002
 - 22** Senate Floor Action/Third Read & Passed – SCS/HS/HCS/HBs 1003 - 1012
 - 29** House Floor Action/Third Read & Passed – HS/HB 1021
 - 29** Senate Introduced/Read First Time – HS/HB 1021
- May**
- 4** House/Senate Floor Action – TAFP CCS/SCS/HS/HCS/HBs 1002 - 1005
 - 4** House Floor Action/Third Read & Passed – CCS/SCS/HS/HCS/HBs 1007; 1009 - 1010
 - 6** House/Senate Floor Action – TAFP CCS/SCS/HS/HCS/HBs 1006 – 1008; 1012
 - 6** Senate Floor Action – TAFP CCS/SCS/HS/HCS/HBs 1007; 1009 - 1010
 - 6** Senate Floor Action/Third Read & Passed – SS/SCS/HS/HB 1021
 - 7** House/Senate Floor Action – TAFP SS/SCS/HS/HB 1021
 - 14** **92nd General Assembly, 2nd Regular Session ends (6:00 p.m.)**